

Grant Memorial Baptist Church

Donation Policies

Effective October 24, 2023

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General Comments

GMBC strongly encourages donors to provide undesignated and unrestricted donations or gifts, allowing us to allocate funds to areas with the most pressing needs. However, GMBC acknowledges the importance of donations that fall outside this category as outlined in these policies and will support these gifts when it is consistent with the mission and priority needs of GMBC, such as the Church's annual operating budget approved by the members.

Once GMBC accepts a designated or restricted gift, we commit to using that gift or its designated portion in accordance with the donor's intentions. In the event that a specific need has been satisfied, an established program or project has concluded, or circumstances beyond the control of the Executive Team prevent its execution, the donor acknowledges GMBC's authority to reallocate these designated or restricted gifts to support other programs, as approved by the Executive Team.

Furthermore, all gift acceptances must adhere to and uphold any pertinent GMBC policies and codes, ensuring accountability in our actions.

GMBC will produce supporting documentation and reports for donations and gifts with multi-year commitments or designated for specific purposes.

Grant Memorial Baptist Church (118946318RR0001) and Linden Christian School Inc. (120707179RR0001) are registered charities. According to the Canada Revenue Agency, a registered charity is exempt from tax on income and can issue official receipts for which individuals can claim tax credits, and corporations can claim deductions from income.

All registered charities must file an annual charitable return (T3010) with the Canada Revenue Agency. The return reports on financial activities such as income, the dollar value or charitable receipts issued, and expenses incurred in carrying out the organization's charitable purpose(s).

Summary information from all Canadian registered charities, including Grant Memorial, can be viewed online at the Canada Revenue Agency website.

If you have any questions concerning these policies, contact the church at accounting@grantmemorial.ca or by phone at 204-989-4272

Donation Policy #1: Gift Acceptance.

The scope of support covered by this policy encompasses contributions in the form of donations, grants, and in-kind gifts. This policy adheres to the regulations stipulated in the Income Tax Act of Canada, guidance from the Canada Revenue Agency, and any other relevant guidelines. All acceptances of gifts must also comply with and hold the church accountable to all applicable GMBC policies and codes.

GMBC retains the prerogative to refuse a gift, with the ultimate authority for accepting or rejecting a gift vested in the Executive Team. The acceptance of a gift by GMBC should not be construed as an endorsement of any product, service, or philosophy espoused by the donor.

Donors are strongly encouraged to review the terms of deferred gifts with the Executive and Finance Teams to ensure GMBC can honour a donor's wishes. GMBC strongly recommends all donors seek advice from professional advisors and discuss the matter with family when considering a bequest or other deferred gifts to GMBC.

Supporting Documentation

GMBC will produce supporting documentation for gifts with multi-year commitments or designated for specific purposes (see GMBC Donation Policy #2, Designated/Restricted Gift Policy).

Returning Gifts

Under specific circumstances, it may become imperative for GMBC to consider the return of a previously accepted gift. The Executive Team will make the ultimate decision to return the gift in consultation with legal and financial counsel.

If a decision is reached to return a gift, GMBC will adhere to the stipulations set forth by the Canada Revenue Agency. Alongside the return of the same or substantially identical property, GMBC will furnish the donor with comprehensive information pertaining to the revoked or revised charitable tax receipt. A duplicate of this cancelled or modified tax receipt shall be duly submitted to the Canada Revenue Agency.

Such instances could include, but are not limited to:

- a) Where continued association with the donor would result in harm to the Church's reputation
- b) Where a donation is determined to have been the proceeds of a crime

The terms of the donation agreement can no longer be honoured, and a new agreement cannot be negotiated with the donor or their heirs or assigns.

Definition of Gift Types

- 1) **Gift or Donation:** The terms “gift” and “donation” are often used interchangeably. For this policy, “gift” and “donation” are understood to mean the same thing: a voluntary transfer of cash or in-kind goods from individuals, corporations, foundations, and other sources to GMBC for either undesignated or designated use. Gifts are made without the expectation of a tangible return.
- 2) **Deferred gift:** Deferred giving is making a gift commitment today for delivery to GMBC at a future date. See GMBC Donation Policy #5, Deferred Gifts.
- 3) **Designated or Restricted gift:** A gift given to GMBC where the donor has specified how the support will be directed. See GMBC Donation Policy #2, Designated/Restricted Gifts.
- 4) **Undesignated or Unrestricted gift:** A gift given to GMBC where the donor has not specified how the support will be directed. GMBC will determine the most appropriate use of the gift.

Types of Gifts Accepted

GMBC will accept donations through the following giving vehicles, subject to the terms outlined below:

- 1) **Cash or equivalent:** Cash donations include those received through cheques, debit, and credit cards. Pledges or cash or equivalents will also be accepted.
- 2) **In-Kind Gifts** – In-kind gifts include tangible personal property, real property, and goods or services, as outlined in GMBC Donation Policy #3, Gift-in-Kind.
- 3) **Gifts of Securities** – Gifts of securities include donations of publicly traded and thinly traded securities, as outlined in GMBC Donation Policy #4, Donations of Securities.
- 4) **Deferred Gifts** – Deferred gifts include bequests, life insurance, retirement plans such as RRSPs and RRIFs, charitable gift annuities, charitable remainder trusts, and other gift vehicles that may be categorized as deferred gifts in the future, as outlined in GMBC Donation Policy #5, Deferred Gifts.

Donation Policy #2: Designated/Restricted Gifts

Designated gifts can be accepted only for established programs or projects within the purposes of Grant Memorial Baptist Church that the Executive Team has approved. Each gift directed toward an approved program or project will be used as designated.

When any given need has been met, the established program or project has ended or cannot be carried out for reasons beyond the ability of the Executive Team to control, the donor agrees that GMBC may redeploy these designated/restricted gifts to carry out its other programs as approved by the Executive Team.

Donation Policy #3: Gifts-In-Kind

Acceptance

GMBC reserves the right to decline any in-kind gift. The decision to accept or decline a gift resides with the Executive Team.

Valuation

The proven value of the donated item is required for GMBC to issue a tax receipt. Receipted in-kind gifts will be accompanied by supporting documentation such as an in-kind gift form.

In-kind Gifts of Services

Registered charities cannot issue official charitable income tax receipts for gifts of services. However, a gift of services may be eligible for a tax receipt through a cheque exchange. Receipting for cheque exchanges will be determined on a case-by-case basis.

Donation Policy #4: Donations of Securities

Acceptance and Treatment of Securities Upon Receipt

GMBC can receive gifts of securities listed on any prescribed stock exchange or market, including Canadian stock exchanges, the NYSE, AMEX, and NASDAQ, in keeping with the guidelines set out by the Canada Revenue Agency and all relevant GMBC policies (e.g. Policy #1, Gift Acceptance Policy). GMBC can also receive gifts of mutual funds/units, pooled fund units, and segregated fund units.

In addition, GMBC can accept donations of thinly traded securities. However, it is recognized that these can be difficult to liquidate at the value or close to the value of the shares when the gift was made. These will be accepted on a case-by-case basis.

Donors must discuss their proposed donation of thinly traded securities with GMBC before initiating a transfer of such securities.

GMBC reserves the right to decline any gift, as outlined in GMBC Donation Policy #1, Gift Acceptance Policy, including, but not limited to, a gift of thinly traded securities if GMBC is not notified before the transfer.

Electronic Transfer of Gifts

To value the income tax receipt for securities transferred electronically, the value of the gift will be based on the closing market value on the day the gift is received in GMBC's brokerage account.

Transfer of Gifts via Share Certificate

If the gift of securities is delivered via share certificate, the value of the gift to establish the amount for the income tax receipt will be based on the closing market value on the day GMBC or its broker takes possession of both the share certificate and the transfer documents/Power of Attorney.

Valuation of Securities for Recognition Purposes

Recognition will be based on the tax-receipted amount of the donation.

Disposition of Shares

All gifts will be liquidated immediately.

As part of our continued pledge to remain accountable to our donors, GMBC encourages donors to discuss the proposed gift with independent legal, financial, or tax advisors and family members.

Donors are encouraged to contact GMBC to discuss their proposed donation before transferring their securities. Donors must complete a donation transfer form to complete their gift.

Donation Policy #5: Deferred Gifts

GMBC accepts donations in the form of “deferred gifts” as bequests, life insurance, retirement plans such as RRIFs or RRSPs, charitable gift annuities, charitable remainder trusts, and other gift vehicles that may be categorized as a gift in the future.

Tax receipts for deferred gifts will be issued by Income Tax Act (Canada) regulations, Canada Revenue Agency guidelines, requirements for the specific gift vehicle involved, and all applicable GMBC policies.

GMBC strongly recommends all donors seek advice from professional advisors and discuss the matter with their family when considering a bequest or other deferred gift to GMBC.

Donation Policy #6: Donor Recognition & Receipting

All eligible donations amounting to \$10 or more shall be duly recognized through the dispatch of a formal letter and the issuance of an official income tax receipt, which shall be provided on an annual basis (typically in February), encompassing the total sum contributed by an individual or entity throughout the preceding calendar year, unless a written request specifying an alternative arrangement is submitted.

A donation, as defined, represents a voluntary conveyance of monetary funds or in-kind assets from individuals, corporations, foundations, or other sources to GMBC, with the intention of either undesignated or designated allocation.