

JDRF Canada Gift Acceptance Policy

JDRF Canada is a nonprofit, charitable organization registered under Canadian law. JDRF Canada seeks gifts from individuals, corporations, and foundations to fulfill its purpose to improve lives today and tomorrow by accelerating life-changing breakthroughs to cure, better treat, and prevent type 1 diabetes (T1D) and its complications.

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A. Definitions

Gift: In general terms, for the purposes of this Policy, a gift means a voluntary transfer of money or other property irrevocably given to JDRF Canada, without any expectation of advantage to the donor or third party designated by the donor. The Income Tax Act establishes relevant criteria for the receipting of gifts.

Restricted/designated gifts: Restricted gifts are intended to promote and carry-on specific work funded by JDRF Canada with no further restrictions.

Unrestricted/undesignated gifts: Unrestricted Gifts are intended to promote and carry on the work of JDRF Canada with no restrictions as to the use or administration of funds.

In-kind Gifts: A gift of property that is not cash, or near cash.

Publicly Traded Securities: Shares, warrants, rights, debt obligations that are traded on a prescribed stock exchange, shares of the capital stock of a mutual fund corporation, a unit of mutual fund trust, or an interest in a related segregated fund trust.

Insurance: Gifts where an insurance policy is purchased with JDRF Canada as the owner, or ownership is gifted to JDRF Canada at a later date (policy assignment), or the death benefit is assigned to JDRF Canada as a beneficiary. A tax receipt may be issued for the premiums paid only when JDRF Canada owns the policy. JDRF Canada will not own, or accept ownership of, any life insurance policy that is not a permanent policy (term to 100, whole life, or universal life).

B. Purpose/Reason for Policy

- To ensure that informed decisions are made on the acceptance of gifts and that such gifts are receipted in accordance with the requirements of the Income Tax Act.
- To ensure that efficient administrative, legal and accounting practices and procedures are followed.
- To enable accurate reporting of gifts.
- To ensure consistent relations with donors.

C. Scope of Policy

This policy is established to govern the acceptance of all gifts made to JDRF Canada. This policy applies to donations received through all fundraising activities of the foundation, including corporate giving and sponsorship, general donations, annual giving, planned gifts, peer to peer fundraising events, gifts in kind, special fundraising initiatives and campaigns.

D. Policy Statement

JDRF Canada welcomes donations, which enable it to fulfill its mission of “Improving lives today and tomorrow by accelerating life-changing breakthroughs to cure, prevent and treat T1D and its complications”. This Policy is intended to guide JDRF employees, volunteers and leaders of JDRF Canada on matters of gift acceptance.

JDRF Canada is solely responsible for issuing official charitable receipts for the eligible amounts of all charitable gifts received by JDRF Canada consistent with the requirements of Canada’s Income Tax Act, Canada Revenue Agency (CRA) guidelines.

JDRF Canada is a registered charity under the Canada Revenue Agency. Its registered charitable number is Charitable Business Number: 11897 6604 RR0001.

E. Gift Acceptance

1. JDRF Canada holds itself to the highest standard of ethical conduct, both within its own community of volunteers and employees and in all of its external relationships and interactions - with donors, with businesses and commercial enterprises and with other external organizations. JDRF Canada will not accept gifts, enter into relationships, or accept external support that could reasonably compromise its public image, reputation or commitment to its mission and values.
2. JDRF Canada will not accept gifts from specified industries, including but not limited to: tobacco and arms manufacturing.
3. All employees, volunteers and members of JDRF Canada's community will conduct themselves in accordance with accepted professional standards of accuracy, truth and integrity. They will inform, serve, guide, and otherwise assist donors who wish to support JDRF Canada but will not pressure or unduly persuade.
4. All employees, volunteers and members of JDRF Canada's community working with donors or prospective donors will keep all information, data, or other communications strictly confidential.
5. All employees, volunteers and members of JDRF Canada's community working with donors or prospective donors will collect, use, and disclose personal information of donors or prospective donors in accordance with the [JDRF's Privacy Policy](#).
6. The professional standards and code of behaviours set out by the Association of Fundraising Professionals (AFP) in the Donor Bill of Rights will serve as the ethical guidelines when raising funds for JDRF Canada.
7. JDRF Canada may elect to accept or decline any gift. The final decision to decline a gift rests with the Board of Directors. JDRF Canada reserves the right to decline a gift in any circumstance, including:
 - a. the gift does not accord with the JDRF Canada's objectives;
 - b. the gift exposes JDRF Canada to liability or unacceptable risk;
 - c. the donor applies unacceptable restrictions or conditions on the gift;
 - d. the gift will be difficult to administer;
 - e. the gift may have come from illegal activities;
 - f. the gift is precedent setting or involves sensitive issues;
 - g. the gift could improperly benefit any individual;
 - h. the gift violates the Ontario Human Rights Code;
 - i. the gift does not comply with the Canada Income Tax Act and Canada Revenue Agency guidelines;
 - j. the gift could reasonably compromise JDRF Canada's public image, reputation or commitment to its academic mission and values.
8. In accordance with CRA guidelines, JDRF Canada will typically not accept gifts that would require JDRF to give special consideration for employment to the donor, or to anyone designated by the donor, or that would allow the donor to inappropriately influence research, community support or education.

Responsibilities

The Senior Leadership Team is responsible for ensuring that acceptance of donations is consistent with this Policy.

Gift Agreements

All gifts will be recorded between the donor and JDRF Canada. All gift agreements that are created external to JDRF Canada will be reviewed by the JDRF Canada's legal counsel where deemed appropriate by the Senior Leadership Team.

Restricted and Unrestricted Gifts

JDRF Canada receives and administers gifts in accordance with donors' instructions, insofar as they are within the guidelines set by the organization.

1. It is possible for a donor to stipulate certain restrictions on a gift or designate it to a specific purpose. JDRF Canada will review the restrictions to ensure that it is able to comply and to clarify its duties in fulfilling the restrictions.
2. Undesignated gifts shall be used at the discretion of JDRF Canada for such purposes as to best advance JDRF Canada's mission.

To ensure continuity and integrity of restricted gifts, gift agreements must include language similar to the following:

If, in the opinion of the JDRF Board of Directors, future circumstances make it impossible, impractical, or inadvisable for JDRF to apply the Gift for the stated purpose, the Foundation may use the funds or such part thereof in its discretion, in the way it deems most advantageous for the organization but will adhere as closely as possible to the spirit of the Gift and its intent.

F. No Advice to Donors

JDRF Canada does not provide any legal, accounting, tax or financial advice to donors with respect to gifts. Donors are encouraged to seek independent legal, accounting, tax or financial advice from professionals and are responsible for all costs incurred in relation to obtaining such independent professional advice. JDRF Canada cannot suggest or endorse a third party as a source of gift advice.

G. Gift Types and Eligibility

The following types of gifts are eligible for acceptance by JDRF subject to the requirements of section E:

- a. gifts of cash and cash equivalents;
- b. gifts-in-kind;
- c. gifts of life insurance;
- d. gifts of residual interest;
- e. publicly traded securities;
- f. charitable remainder trusts;
- g. bequests;

H. Gift Receipting

Accepted gifts to JDRF Canada may qualify as “tax receiptable gifts” or may be “non-receipted gifts”:

- Tax receiptable gifts – These gifts (or portion of gifts) which JDRF Canada determines meet the CRA guidelines for issuance of a charitable gift tax receipt to donor.
- Non-receipted gifts – These gifts do not qualify for issuance of a charitable gift tax receipt under CRA guidelines but are nevertheless gifts to JDRF Canada and subject to appropriate donor recognition.

Charitable tax receipts for JDRF Canada shall be issued solely by the organization.

JDRF Canada only issues tax receipts for eligible gifts over \$20.

Eligible amounts for receipting purposes for all gift types will be done in accordance with CRA regulations and administrative guidelines. JDRF Canada will ensure that CRA regulations are followed so that the JDRF’s charitable status is maintained.

Eligible amount: The eligible amount of the gift is the amount by which the fair market value of the gifted property exceeds the amount of an **advantage**, if any, received or receivable for the gift. The **advantage** is generally the total value of any property, service, compensation, use or any other benefit that you are entitled to as partial consideration for, in gratitude for, or in any other way related to the gift. The **advantage** may be contingent or receivable in the future, either to you or a person or partnership not dealing at arm's length with you.

I. Conflict of Interest

In all matters involving the donor, the interest and well-being of the donor must take priority. In cases of conflict of interest, those acting on behalf of JDRF Canada must declare the conflict. A conflict of interest is deemed to occur when individuals who present themselves as representatives of JDRF Canada attempt to sell their own product to the donor. However, if the individuals present themselves as representatives of an outside firm and part of their financial counseling involves arranging gifts for JDRF Canada, no conflict would exist.

J. Gift requirement by gift type

Cash and Near Cash

The following gifts are deemed eligible for acceptance by the Organization: outright gifts of cash, credit card payment, on-line donations, money order, electronic transfer, or cheque. Gifts that are paid by credit card must be less than \$10,000.

JDRFC will request and keep detailed records of gifts of cash over \$5,000 to protect against fraud, money laundering and the support of terrorism.

For restricted gifts, a 10% allocation from the gift will be designated to cover organizational costs such as managing the research projects, staff fundraising time, marketing materials, reporting and donor recognition.

Publicly Listed Securities.

Donations of publicly listed securities do not give rise to a capital gain for the donor, which provides a substantial incentive for such donations. In order to obtain the exemption from capital gains tax, donors must donate publicly listed securities directly to the Organization rather than selling them and donating the proceeds. The securities of publicly listed companies that are generally acceptable to the Organization are those that are registered for trade on a securities exchange in Canada or the U.S. These also include mutual funds.

Gifts-in-Kind.

Gifts-in-kind refers to a gift of property (other than cash or near cash) such as jewelry, artwork or other valuable personal property. Acceptance of some gifts-in-kind is subject to special considerations and may not be eligible for a tax receipt.

Deferred / Future Gifts

There are many gift-planning options. JDRF Canada works with donors and their advisors to design gifts that meet each donor's philanthropic objective while maximizing tax and other benefits, and that meet JDRF Canada's needs. The following guidelines are established to ensure that gifts accepted by JDRF Canada will be cost effective:

- A) Bequests**
- B) Charitable Remainder Trusts**
- C) Life Insurance**
- D) Reinsured Gift Annuity**

A. Bequests

A bequest is a provision in a Will, directing a gift of property from an estate to be paid to JDRF Canada. There are several types of bequests accepted by the Foundation:

- A specific bequest – a gift of a specific sum of money or a specific property, such as publicly traded securities.
- A residual bequest – a gift of all or a percentage of the residue of the estate after having paid gifts to other beneficiaries under the estate.
- A contingent bequest – a gift of all or a share of the estate in the event of the prior death of certain other beneficiaries or in the event of certain conditions having been met.

B. Charitable Remainder Trusts

The charitable remainder trust is a form of residual interest gift. The donor ("Settlor") transfers the property to a trustee who holds and manages it. Trusts are powerful and flexible planning tools. Typically, the income from the trust is paid to the income beneficiary, which is usually the donor or his or her family. JDRF Canada is named the capital beneficiary of the trust and entitled to the trust's remainder when the trust is collapsed, which is normally at the death of the settlor. When the trust terminates (either at the death of the income beneficiary or after a term of years), the trust remainder is distributed to JDRF Canada. As with all charitable remainder trusts, in which JDRF Canada is named as a beneficiary, the Settlor is entitled to a Receipt for the present value of the remainder of the interest.

C. Life Insurance

There are various methods by which a life insurance policy may be contributed to JDRF Canada. A donor may:

- Assign irrevocably a paid-up, permanent policy to JDRF Canada;
- Assign irrevocably a permanent life insurance policy on which premiums remain to be paid;
- Name the estate as the beneficiary, with a bequest of equal value included in the will;
- Name JDRF Canada as a primary or successor beneficiary to the proceeds

D. Reinsured Gift Annuity

The gift annuity is an arrangement whereby a donor transfers property to JDRF Canada pursuant to an agreement authorizing JDRF Canada to purchase a commercial prescribed annuity that will pay a stipulated amount to the donor. Funds in excess of the amount required for purchase of the commercial prescribed annuity are retained by JDRF Canada and used for purposes specifically by the donor and acceptable to JDRF Canada.

A tax receipt will be issued for the amount retained by JDRF Canada provided the value of the payments to the donor does not exceed 80% of the total funds contributed.

K. Confidentiality

At all times, advisors working with donors or prospective donors to JDRF Canada will keep all information, data, or other communications strictly confidential. Please see JDRF Canada's Privacy [Policy](#).