



FAMILY  
RESOURCE  
CENTRE

# Gift Acceptance Policy

KARA Family Resource Centre

## **Purpose:**

KARA Family Resource Centre is committed to maintaining the highest standards of integrity, transparency, and accountability in all aspects of gift acceptance and stewardship. This policy is designed to safeguard donor information, ensure proper management and accountability of funds received, and maintain accurate records for financial reporting and donor recognition. By implementing clear guidelines and procedures, we aim to uphold the trust of our donors, provide timely acknowledgments, and issue donation receipts in compliance with legal and ethical standards. Proper documentation and backup files will be maintained to ensure accuracy, efficiency, and responsible stewardship of all contributions, reinforcing our commitment to supporting families and communities effectively.

## **Monetary Donation Acceptance Methods**

KARA Family Resource Centre currently accepts monetary donations through the following methods. All donations are submitted to the Accounting & Payroll Administrator and the Fund Development Manager. Donation details are recorded in Accounts Receivable and KEELA, with reconciliations conducted monthly.

All funds will be stored in a locked and secure safe and deposited weekly to Servus Credit Union by the Accounting & Payroll Administrator or the Fund Development Manager.

## **Online Donations**

Donors can give online through [kara.frc.com/give](http://kara.frc.com/give).

A built-in form integrates with KARA's donor database, KEELA.

Donations are automatically recorded, and a receipt is instantly generated and sent to the donor.

Donations are currently going through PayPal, We will be transitioning to Stripe in the near future for our payment processing.

## **In-Person Donations**

Accepted payment methods: Cash, Debit, Credit, and Check.

Debit and credit payments are processed through Square at the front desk.

Cash and checks are collected at the front desk.

All donations must have completed a Donation Information Form.



## **Once Received**

Cash and checks are placed in an envelope and given to the Fund Development Manager or the Accounting & Payroll Administrator or locked in a secure cash box until they can receive money.

Debit and credit transactions are recorded on the Donation Information Form and given to the Fund Development Manager or the Accounting & Payroll Administrator.

The Fund Development Manager will pull Square report and provide it to the Accounting & Payroll Administrator as required.

## **Mail-In Donations**

If a donation (check or donation slip) is received by mail:

Process credit card payments online using the provided donor details.

Submit the slip to the Fund Development Manager or the Accounting & Payroll Administrator.

## **Off-Site Event Donations**

The same procedures apply.

A locked box and cash bag will be provided for secure storage.

All donations and donor information must remain in the locked box or cash bag until returning to KARA.

Upon return, funds should be handed over to the Fund Development Manager or the Accounting & Payroll Administrator.

## **Third-Party Platforms**

### **Canada Helps:**

The Accounting & Payroll Administrator reconciles received funds and sends confirmation to the Fund Development Manager.

The Fund Development Manager enters the donation into KEELA and sends thank-you messages.

Canada Helps issues the official donation receipt directly to the donor.

### **Benevity:**

This platform is commonly used by corporations and foundations for grant disbursements.

Benevity does not issue donation receipts; KARA is responsible for doing so.

The Accounting & Payroll Administrator notifies the Fund Development Manager when funds are received.

The Fund Development Manager prints a report and provides it to the Accounting & Payroll Administrator for record-keeping.

### **KEELA:**

The Fund Development Manager enters the donation into KEELA, sends thank-you messages, and issues the donation receipt or donation acknowledgment.

Additional methods may be introduced as technology and donor needs evolve, ensuring KARA remains accessible and efficient in processing contributions.

Non-cash Donation Acceptance Methods:



## **Non-cash Donation Acceptance Methods**

At KARA Family Resource Centre, we are grateful for the generosity of our donors and committed to ensuring that all gifts comply with Canada Revenue Agency (CRA) regulations. This policy outlines the requirements for accepting and receipting non-cash gifts, including purchased items, gift cards, and used items.

### **1. Purchased Items**

Donors who purchase new items to donate and wish to receive a Gift in Kind tax receipt must:

Provide the original purchase receipt.

Attach the receipt to a completed Gift in Kind donation form.

Submit both documents to KARA for review and processing.

### **2. Gift Cards**

To receive a Gift in Kind tax receipt for donated gift cards, donors must:

Provide a copy of the purchase receipt or letter if donation is made by the business giving the gift cards.

Provide a photocopy of the back of the gift card with the donation amount clearly written on it.

Attach these documents to a completed Gift in Kind donation form to the Fund Development Manager

### **3. Used Items**

Used items must be pre-approved by the Fund Development Manager before being accepted.

The fair market value (FMV) of donated used items must be determined in compliance with CRA guidelines.

If the FMV is under \$1,000, a knowledgeable KARA representative may determine the value.

If the FMV is over \$1,000, an independent third-party appraisal is required, and the appraiser's name and address must be included on the donation receipt.

If the FMV cannot be determined, a donation receipt cannot be issued.

## **Fair Market Value (FMV) and Tax Receipting**

The FMV of a donated item is the highest price it would bring in an open market between a willing buyer and seller, both acting independently.

If an item was purchased within ten years of donation or acquired through a tax shelter arrangement, additional CRA rules may apply.



If the benefit received is more than 80% of the donated amount, no donation receipt can be issued.  
If the benefit is 10% or less of the donation value (or under \$75), it is considered nominal and does not need to be deducted.

Example: If a donor gives \$500 and receives event tickets worth \$90:

10% of \$500 = \$50 (nominal threshold, must be under this to be ignored).

80% of \$500 = \$400 (benefit must be under this to issue a receipt).

Since \$90 exceeds the nominal threshold but is under 80% of the gift, the donor can receive a receipt for \$410 (\$500 - \$90).

KARA reserves the right to decline any non-cash donation that does not meet CRA regulations or cannot be appropriately receipted. Thank you for your generosity and support!

### **Donation of Services**

If a charity pays a service provider for services rendered and the service provider then chooses to donate the money back, the charity can issue a receipt for the monetary donation (this is often referred to as a cheque exchange). In such circumstances, two distinct transactions must take place:

A person provides a service to a charity and is paid for that service; and

That same person makes a voluntary gift of property to the charity.

For questions or more information please email [info@kara-frc.ca](mailto:info@kara-frc.ca)

### **Stock and Securities**

Coming in 2025! This section will be finalized once KARA transitions to a new bank and establishes a securities account.

Please note that this Gift Acceptance Policy is in draft form and is waiting for board approval.  
(May 2025).