

BOARD POLICY

Name: Gift Solicitation and Acceptance	Type: Board Policy
Category: Governance	Original Date of Approval: December 18, 2018
Status: APPROVED	Date of Last Revision: March 20, 2025

Purpose:

This policy outlines the conditions for encouraging and accepting philanthropic support within Covenant Foundation. Its purpose is to assure donors their gifts are welcome and will be professionally managed, and to confirm that they will further the purpose and values of Covenant Foundation.

This policy applies to donations received through all fundraising and solicitation activities of the Foundation, including but not limited to:

- Unsolicited donations.
- Annual Giving.
- Major Gifts
- Planned Gifts.
- Third party fundraising initiatives; and
- Campaigns.

Policy:

Covenant Foundation seeks to generate unprecedented generosity, including support from individuals, foundations and organizations who wish to partner with Covenant Foundation to transform healthcare and help to create vibrant communities of health and healing through the work and priorities of Covenant Foundation. As such, it welcomes support from as many citizens and organizations as possible, and all forms of giving that will help Covenant Foundation to achieve its goals.

Limitations:

To protect all parties involved (the contributor, the Foundation and the Covenant family), Covenant Foundation will limit its activities under certain conditions as follows:

1. Covenant Foundation will not knowingly solicit or accept support from:
 - a) Sources known or likely to be illegal under Canadian law.
 - b) Tobacco companies.
 - c) Public or government agencies whose support should be directly managed by the Covenant family.
2. Covenant Foundation believes extra care must be taken to assure the appropriateness of any contribution, from recognition provided to, or relationship with:
 - a) Alcohol or cannabis companies.
 - b) Gambling or Gaming enterprises.
3. Covenant Foundation will not knowingly accept a contribution if:
 - a) The contributor is perceived to be interested in or insistent upon inappropriately influencing Covenant Foundation or its qualified donors, personnel, activities, clients or families;
 - b) The designation of the gift or a relationship with the contributor is not felt to be in the interests of, or within the priorities of Covenant Foundation, or its qualified donees;
 - c) The recognition required by the contributor is not in keeping with Covenant Foundation, Covenant Health/Care/Living joint Donor Recognition Policy, and/or if it is likely to be unacceptable to Covenant Foundation or its qualified donors.

Gift Eligibility:

The following gifts are deemed eligible for acceptance by Covenant Foundation:

- Cash.
- Gifts-in-Kind.
- Will and bequest.
- Charitable gift annuities.
- Life insurance Policy.
- Retirement fund.
- Publicly traded securities.
- Charitable remainder trusts and residual interest gifts.
- Gifts of property.

Cash:

Covenant Foundation accepts cash, credit cards, and cheques made payable to “Covenant Foundation”.

Gifts-in-Kind:

Covenant Foundation accepts gifts-in-kind under limited conditions for its own use and provided the contributor has no restrictions as to the gift’s use or disposition. Covenant Foundation does accept gifts-in-kind intended for qualified donor use if approved by the qualified donor. The Gift-in-Kind contributor will be recognized as a donor in the appropriate recognition activities.

Will and Bequest:

Bequests made to Covenant Foundation may qualify as a charitable gift if the terms and conditions of the bequest are acceptable under Covenant Foundation’s gift acceptance policies. Official receipts will be issued to the estate of the deceased. Covenant Foundation requires a copy of documents naming Covenant Foundation as a beneficiary for our files, prior to a tax receipt being issued.

Charitable Gift Annuities:

Covenant Foundation will consider charitable gift annuities on a case-by-case basis. The tax receiptable amount will be determined according to Canada Revenue Agency (CRA) Guidelines.

Life Insurance Policy:

Covenant Foundation will accept a life insurance policy as a gift if it is named as beneficiary or is both the irrevocable owner and beneficiary. The tax receiptable amount will be determined according to CRA Guidelines.

Any premiums due are the responsibility of the donor. If the insurance policy lapses for non-payment prior to maturity because a donor fails to provide for premium payments, Covenant Foundation may:

- Continue to pay the premiums,
- Convert the policy to paid up insurance, or
- Surrender the policy for its current cash value.

When a life insurance policy is absolutely assigned to Covenant Foundation, any consent that is required by provincial regulations to change a beneficiary must be signed before the transfer represents a valid charitable donation.

Retirement Fund:

Covenant Foundation will accept the proceeds of a retirement fund as a gift if it is named as beneficiary. The tax receiptable amount will be determined according to CRA Guidelines

Publicly Traded Securities:

As a general rule, Covenant Foundation will only accept gifts of securities that are publicly traded stocks and bonds. The value and the tax receiptable amount of such a donation are determined by the value of trading on the date of receipt of donation.

Charitable Remainder Trust and Residual Interest Gifts:

Covenant Foundation will accept a charitable remainder trust as a gift if it is named as capital beneficiary. The tax receiptable amount will be determined according to CRA Guidelines.

Gifts of Property:

Generally, gifts of property are not encouraged. Gifts of property will be reviewed with special care to ensure that acceptance will not involve financial commitments in excess of budgeted items or other obligations disproportionate to the use of the gift. Canada Revenue Agency recommends that Gifts of Property valued at or over \$1,000 given to Covenant Foundation with the intent of the donor to receive a tax receipt, should receive an independent external appraisal.

Guiding Principles:

When accepting donations, the Foundation adheres to the following Guiding Principles:

1. Covenant Foundation will not accept gifts that are not recognized by CRA, or those that violate federal, provincial or municipal laws.
2. Covenant Foundation reserves the right to accept or decline any gift.
3. Ownership of all gifts directed to Covenant Foundation vests in the Foundation, whether said gifts are for the benefit of Covenant Foundation generally or for some specific purpose in it.
4. Accountability to donors must be of the highest caliber, through appropriate acknowledgment, and accurate and timely reporting by the relevant Covenant Foundation staff. Where appropriate, gift agreements will be recorded between donors and Covenant Foundation and these will be adhered to by Covenant Foundation.
5. Donor Designated Gifts will be allocated according to Covenant Foundation's Restricted Funds Policy.