

**Subject:** Proposed Policy for Donations to the Town of Pelham

**Recommendation:**

**BE IT RESOLVED THAT Council receive Report #2023-0185 Proposed Policy for Donations to the Town of Pelham, for information;**

**AND THAT Council approve proposed Policy No. S400-11 – Donations to the Town of Pelham.**

**Background:**

The Town of Pelham ("the Town") is sometimes the prospective recipient of donations of money, tangible property or real estate from organizations, community groups or individuals. The Town is registered as a "*qualified donee*" under the *Income Tax Act*, which enables it to issue official donation receipts for income tax purposes. However, the Town does not presently have a policy to guide the assessment and administration of potential donations or that provides adequate direction about the issuance of official receipts. Staff have prepared the attached proposed Policy No. S400-11 – Donations to the Town of Pelham ("the policy") to address these matters.

**Analysis:**

Financial and non-financial donations can be a valuable source of support for Town initiatives. The policy aims to provide clear and comprehensive guidance to address all potential donations in a transparent and consistent manner and to ensure that the Town complies with legal requirements for issuing official receipts.

The policy requires donations to align with the Town's vision, values and strategic priorities, to be in the public interest, and to comply with all applicable law. It sets out general criteria for acceptable donations and prohibits donations that may adversely impact the Town's reputation, finances or operations.

The policy also provides specific guidance for the acceptance of financial donations, in-kind donations and real property donations, the conferral of naming rights in relation to a Town program or asset, the acknowledgment of donors and donations, the management, recording and reporting of donations, and the issuance of official receipts. The policy generally requires written agreements outlining the terms and conditions of a donation and gives the Town full control over accepted donations. The procedures set out in the policy promote consistency in the administration of potential donations and compliance with the requirements of the *Income Tax Act*.

**Financial Considerations:**

Establishing a clear framework for the acceptance, administration and recognition of donations may have a positive financial impact by encouraging donors to consider the Town as a potential donee. Ensuring *Income Tax Act* compliance supports the Town's status as a qualified donee, which may further encourage donors as they will receive an official income tax receipt for eligible donations. The policy will also facilitate the donation process and thereby reduce staff time and other costs associated with evaluating and accepting donations.

**Alternatives Reviewed:**

Council may opt not to approve the policy or may direct revisions to same.

**Strategic Plan Relationship: Financial Health**

Donations promote the financial health of the Town by providing additional support for Town initiatives, projects, programs and services.

**Consultation:**

The policy was developed in consultation with the Senior Leadership Team.

**Other Pertinent Reports/Attachments:**

Proposed Policy No. S400-11 – Donations to the Town of Pelham.

**Prepared and Recommended by:**

Jennifer Stirton, BSc(Hons), LL.B.  
Town Solicitor

**Approved and Submitted by:**

David Cribbs, BA, MA, JD, MPA  
Chief Administrative Officer