



**United Way**  
**Central Alberta**

# Finance Policy

Effective November 21, 2019

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## Introduction

The purpose of this document is to outline the finance policies in effect at United Way of Central Alberta (UWCA).

### Scope

This policy covers all high-level finance policies for United Way of Central Alberta (UWCA), for use by the Finance & Audit Committee of the Board of Directors in fulfilling its mandate. It does not outline the procedures chosen to adhere to these policies; the procedures are laid out in the Finance Procedures Manual.

Staff should use this policy in managing their finance responsibilities. Where these policies and the Finance Procedures Manual differ, these policies overrule the Finance Procedures Manual.

### Authority

This policy supersedes all previous policies and/or statements.

### Dates

Effective	November 21,2019
Last Reviewed	November 21,2019
Board Approved	November 21,2019
Next Review	

## References

The following items were referenced in preparation of this document:

- Canadian Accounting Standards for Not-For-Profit Organizations (ASNPO)
- Canadian Accounting Standards for Private Enterprises (ASPE; used where ASNPO provides direction to use these standards)
- United Way Centraide Canada's (UWCC) Transparency Accountability and Financial Reporting Policy and Toolkit (TAFR)
- Canada Revenue Agency (CRA) guidance around issuing receipts

The following policies do not intend to reiterate the finance standards required by the above-mentioned items. Instead – where discretion is allowed – these policies will outline UWCA's specific policy decisions in these instances. Where discretion is not allowed, UWCA will follow the standards outlined in the above-mentioned documents, and will not mention them here unless they provide additional value or clarity.

## Section 1 – General

The following are small policies followed by UWCA.

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### 1.1 Fiscal Year

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UWCA's fiscal year runs from April 1 to March 31.

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### 1.2 Segregation of Duties

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UWCA will segregate the duties of the following procedures, to the extent practicable given the number of staff available for such duties:

- Invoicing,
- Handling of funds,
- Purchasing, and/or
- Issuance of cheques.

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### 1.3 Bank Deposits

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All funds received – be it cash or cheque – are to be deposited in the bank account within five (5) business days of receipt, at a minimum.

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### 1.4 Campaign Pledge Receivables

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Pledge receivables will not be written off until three (3) years have passed, due to many Centrally Coordinated Campaigns (CCCs) requiring additional time to disburse payments owed to each recipient United Way.

Pledge recovery procedures will be undertaken to keep the actual pledge write-offs at an acceptably low level.

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### 1.5 Liability Insurance

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UWCA must hold adequate Directors & Officers Liability and Commercial General Liability insurance coverage. Coverage is reviewed by the Board.

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### 1.6 Political Donations

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No funds or other assets of UWCA can be used directly or indirectly for contribution to any political party, any candidate for, or holder of, any government office.

## Section 2 – Financial Authority

The Chief Executive Officer (CEO) has been assigned financial responsibility by the Board of Directors (the Board). In some cases, the CEO may delegate this responsibility to another staff member or volunteer to aid in fulfilling said responsibilities; however, ultimate responsibility lies with the CEO and the Board.

The following subsections outline some specific authorities assigned.

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### 2.1 Signing Authority

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Two (2) representatives of UWCA must authorize all payments made by the organization. They must constitute one (1) staff member and one (1) Board member, unless no staff members are available to authorize; in this case, two (2) Board members may authorize.

Being a signing authority means the individual may sign UWCA's cheques, or approve other payment methods or agreements for UWCA.

The approved signing authorities are:

- Staff members
  - CEO
  - Finance Manager
- Board members
  - Executive Committee members
  - Other Board members as approved by the Board and recorded in its minutes

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### 2.2 Fund Transfer Authority

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Due to the cyclical nature of UWCA, cash flows needs will necessitate transfers to and from the bank and investment accounts held by UWCA. The Finance Manager is authorized to transfer these funds between bank accounts and/or investment accounts to ensure effective and uninterrupted financial operations.

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### 2.3 Spending Authority

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#### *Budgeted items*

The CEO is responsible for all expenditures approved in the annual budget. Invoice approval and coding is delegated to the Finance Manager for all budgeted expenditures up to \$1,000 (per invoice); however, any amount higher requires the CEO's invoice approval.

When the CEO submits an expense claim, it will be reviewed by another member of the Board's Executive Committee before being included in payment processing.

#### *Unbudgeted items*

For expenditures that have not been included in the annual budget, the CEO has the authority to spend up to \$5,000 per occurrence. In the absence of the CEO – and when circumstances necessitate urgency –

the Finance Manager may authorize unbudgeted amounts up to \$1,000, which must be presented to the CEO upon return.

For all other unbudgeted expenditures, the expenditure will be brought before the Finance & Audit Committee, who will recommend a decision to the Board for approval.

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## 2.4 Credit Card Authority

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UWCA may hold a credit card to be used solely for organizational purposes and in accordance with the approved budget.

The CEO is authorized to use the credit card, and must ensure security and confidentiality of the number, security code and physical card at all times.

The credit limit is set by the Finance & Audit Committee, and reviewed annually for reasonability.

The statement is reviewed each month by the Finance & Audit Committee, with the Chair of the committee checking limit and transactions for policy adherence.

## Section 3 – Finance & Audit Committee

The Finance & Audit Committee, a committee of the Board of Directors, has the following purpose or objective: to monitor and review the UWCA’s overall financial matters and provide advice to the Board and staff.

The committee’s desired outcomes are:

- To ensure that the organization is fiscally accountable to its members,
- To ensure that all financial transactions and procedures are reported in accordance with current policy, procedures and standards, and
- To ensure the Board is kept abreast of ongoing financial activities.

The following subsections outline the policies in place to meet these outcomes and objectives.

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### 3.1 Minutes

The committee will record its activities and decisions in committee minutes. Staff will be responsible for capturing these minutes, which will be approved at the subsequent meeting. Minutes will include:

- A list of actions arising from the meeting,
- Who is responsible for each action, and
- The expected completion date(s).

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### 3.2 Frequency of Meetings

The committee will meet a minimum of nine (9) times throughout the year.

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### 3.3 Duties

The committee duties are categorized based on the frequency of completion.

#### *At each committee meeting*

- Review the notes of the prior meeting.
- Approve the bank and investment reconciliations for the previous month end.
- Approve the credit card transactions on the previous month’s statement.
- Approve the Finance Report, which:
  - Outlines the year-to-date statement of operations and financial position for the previous month end, and
  - Provides an explanation of variances greater than 10% from budget or \$1,000.
- Approve the Outstanding Accounts Receivable Report, which:
  - Outlines the balances of three (3) years of outstanding pledges receivables, and
  - Provides any recommended write-offs.
- Approve the Surplus Cash Report, which:
  - Outlines investment activity that occurred during the previous month, and
  - Provides analysis around the investments’ compliance with this policy (specifically [Section 8 – Investment of Surplus Cash](#)).

*After the second and third quarters*

- Present a Year-To-Date Financial Report to the Board, which:
  - Includes the most recently reviewed Finance Report, and
  - Includes a statement confirming that all statutory payments (i.e. payroll withholdings) have been made according to requirements and that there are no overdue payments.

*On an annual basis throughout the year*

- Support the staff in preparing the annual budget(s), including the operating budget and technology budget.
- Review and recommend the annual budget(s) to the Board.
- Review the credit card limit for reasonability.
- Assess financial risk regarding UWCA's operations.
- Provide direction and assistance to the auditors, and act as a liaison between the auditors and the Board.
- Review and recommend the draft year-end financial statements to the Board and UWCA's membership.

*On an ongoing basis throughout the year*

- Continuously monitor organizational compliance against these policies.
- Provide advice and act as a resource to the Board, the Treasurer, finance staff, and the CEO.

## Section 4 – Annual Audit

As a registered Canadian charity, UWCA is required to audit its finances annually.

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### 4.1 Annual Process

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The auditors will conduct the audit in accordance with Canadian Auditing Standards (CASs), and will audit UWCA’s compliance with Canadian Accounting Standards for Not-For-Profit Organizations (ASNPO).

The draft audited financial statements will be reviewed by the Finance & Audit Committee and recommended to the Board; approved by the Board and presented at the Annual General Meeting (AGM); and approved by UWCA’s members.

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### 4.2 Auditor Advice

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UWCA may request finance and accounting advice from the auditor in addition to the annual audit, as long as it:

- Does not create a question of independence relating to the audit, and
- Does not create or increase a fee to UWCA, unless expressly approved in advance by the CEO or the Board.

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### 4.3 Auditor Appointment

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UWCA’s members approve the auditor for the following year at each AGM.

UWCA will undergo a tendering process every five (5) years at a minimum, or more frequently if determined necessary by the Finance & Audit Committee.

UWCA will follow these guidelines in creating a competitive tendering process:

- UWCA will send a request for proposal (RFP) to a minimum of four (4) auditing firms within the Central Alberta region.
- A scorecard will be created to ensure appropriate scoring criteria are used, including the categories of price, experience, and methodology.

The Finance & Audit Committee will review the tender submissions, and recommend the auditor to the Board for approval and presentation to UWCA’s members at the AGM.

## Section 5 – TAFR

UWCA will follow the reporting guidelines as set out in the UWCC's TAFR policy. The TAFR policy allows individual United Ways discretion in certain areas, and the following subsections outline UWCA's policies for these areas.

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### 5.1 Cost Allocation

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TAFR requires the general management and administration costs be allocated between fundraising and program expenses. UWCA will allocate these costs using a reasonable estimate of the percentage of time spent by each employee doing fundraising or program work.

These percentage estimates will be reviewed and approved by the Finance & Audit Committee during the annual budget process.

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### 5.2 Designations

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#### *Cost recovery*

UWCA will recover a fee from each designation pledge received, which are intended to cover costs associated with raising, collecting and administering the designation. This fee will be set annually by the Finance & Audit Committee during the annual budget process.

#### *Payout method*

UWCA will pay out designations on top of any allocation decisions made. These designations will not reduce any allocation budget amounts.

#### *Payout schedule*

UWCA will forward designations on to the designated registered charity only after they have been received from the donor and within six (6) months of receipt.

## Section 6 – Annual Budget

UWCA currently prepares two (2) budgets: the technology budget and the operating budget.

### 6.1 Technology Budget

The Finance Manager will submit a technology budget to the Finance & Audit Committee every fall, which will outline the expected capital technology costs for the next ten years, and recommend a Technology Reserve transfer amount to be included in the operating budget.

The Finance & Audit Committee will review the technology budget no later than October and recommend it to the Board. The Board will approve the technology budget in November, so that it can be incorporated into the operating budget.

### 6.2 Operating Budget

The Finance Manager will submit an annual operating budget to the Finance & Audit Committee every February. The Finance & Audit Committee will review the operating budget and recommend it to the Board; the Board will approve the operating budget in March.

The Finance & Audit Committee will ensure they have reviewed the following items feeding into the annual budget, at a minimum:

- Cost allocation percentages (see [Subsection 5.1 Cost Allocation](#)),
- Cost recovery fee (see [Subsection 5.2 Designations](#)),
- Capital asset repairs and replacements (see [Section 9 – Asset Management Policy](#)),
- Technology budget incorporation,
- Reserve balances and transfers, and
- Fundraising ratio(s).

## Section 7 – Financial Institution

### 7.1 Acceptable Institutions

UWCA has the option to maintain its bank accounts – excluding investment accounts – at a local branch of:

- Canadian Schedule “A” Chartered Banks or their subsidiaries,
- Alberta Treasury Branch,
- Servus Credit Union, or
- Canadian Schedule “B” banks with equity in excess of \$2 billion dollars.

### 7.2 Institution Review

#### *Internal review*

UWCA will commence an internal review of their bank management solution every five (5) years, which will determine whether a banking tender process is necessary. This review will take into account the following criteria, at a minimum:

- The relationship manager assigned to UWCA,
- The location of the local branch,
- Bank account structure,
- Bank fee structure, and
- Interest rates.

The Finance & Audit Committee will analyze the internal review and make the final decision on whether a banking tender process should be commenced.

#### *Tender process*

Should a tender process be deemed necessary, UWCA will use the following guidelines in creating a competitive tendering process:

- UWCA will send a request for proposal (RFP) to a minimum of four (4) local financial institutions that meet the definitions in [Subsection 7.1 Acceptable Institutions](#), and
- A scorecard will be created that incorporates the criteria outlined in the internal review process, at a minimum, including the categories of fees & interest, location & management, and value-added benefits.

The Finance & Audit Committee will review the tender submissions, and decide which institution to accept.

## Section 8 – Investment of Surplus Cash

Surplus cash will be invested in short- and long-term investments, in order to augment UWCA's financial position.

It is important that adequate cash balances are maintained for the day-to-day operations of the organization, and it will be the judgment of the Finance Manager on what constitutes adequate cash balances.

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### 8.1 Acceptable Institutions

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UWCA may invest in the following institutions:

- The Government of Canada and institutions back by the Government,
- Municipal and provincial governments with a minimum rating of A,
- Schedule "A" banks subject to a minimum DBRS rating of A,
- Schedule "B" banks subject to a minimum DBRS rating of AA,
- Credit Unions subject to a minimum DBRS rating of A, and/or
- Investment houses wholly owned by an institution listed above.

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### 8.2 Selection Limitations

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Investments must be selected based on security of principal. Investments of a more risky nature may not be utilized even when they pay a higher rate of return.

No more than 65% of the investment portfolio's market value will be invested with one financial institution.

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### 8.3 Short Term Investments

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The types of short term investments UWCA may invest in are:

- Term deposits, GICs, or banker's acceptances,
- Government bonds,
- Treasury bills,
- Canadian money market funds, and/or
- High-interest savings.

Short term investments must be liquid, so as to retain the ability to cover day-to-day operations throughout the year.

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### 8.4 Long Term Investments

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#### *Investment types*

Long-term portfolios will be chosen from the following investment types, and must fall within the stated ranges:

- High interest/commercial paper: 0% - 20%

- Equities: 25% - 55%
- Fixed income: 25% - 75%

Note: percentages are based on market value.

### *Constraints*

The following constraints are used to ensure the risk level of UWCA's investments stays in an acceptable range:

- No more than 5% of the investment portfolio's market value will be invested in any one investment type issue.
- Equities
  - No more than 10% of the equity component's market value will be invested in the common stock, preferred shares or other equity issues of any one corporation,
  - Small capitalization will be restricted to 10% of the equity component's market value,
  - Equity in one corporation will not exceed 5% of the equity of said corporation, and
  - The portfolio will not be invested in any single sector.
- Bonds
  - A minimum of 50% of the bond portfolio's market value will be invested in federal or provincial bonds, or those bonds guaranteed by the government,
  - No more than 40% of the bond portfolio's market value will be invested in issues of any one province or provincial guarantee.
  - No more than 10% of the bond component's market value will be invested in any one organization,
  - No more than 5% of the bond component's market value will be invested in any one issue.
  - Only bonds with a DBRS or Canadian Bond Rating Service rating of "A" or higher will be utilized; bonds dropping below this rating will be eliminated from the portfolio within 120 days.

Funds pooled in mutual funds must also adhere to the above constraints as far as is reasonably practicable.

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## 8.5 Benchmarks

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Investments will be benchmarked against recognized indices that provide an appropriate market comparison. The indices will be approved by the Finance & Audit Committee, and will be reviewed a minimum of every three (3) years.

## Section 9 – Asset Management Policy

The following items are the common capital assets UWCA holds:

- Leasehold improvements
- Furniture and equipment
- Computer equipment
- Server equipment
- Computer software licenses

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### 9.1 Capitalization threshold

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All capital asset purchases over \$1,000 will be capitalized. Capital assets under this threshold will be expensed.

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### 9.2 Depreciation

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Capitalized assets will depreciate using the following methods:

- Leasehold improvements
  - Straight-line over remainder of lease term plus one (1) renewal term
- Furniture and equipment
  - 20% declining balance
- Computer equipment
  - 45% declining balance
- Server equipment
  - 30% declining balance
- Computer software licenses
  - Straight-line over 5 years

All asset classes will utilize the half-year method of recording depreciation for the year of purchase.

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### 9.3 Repairs and Replacements

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Technological items will be replaced as outlined in the technology budget, which outlines a ten-year strategy for ensuring appropriate technology is available to UWCA.

All other capital assets will be assessed annually for impairment, and repairs or replacements will be budgeted for in the operating budget.

## Section 10 – Financing

This section will cover policies around operational and debt financing methods.

### 10.1 Operational Financing

Operational financing methods do not create an accounting liability for UWCA, and include commitments, operating leases and rental agreements. These will require the approval of both the Treasurer and the CEO when they create significant future financial obligations.

Operational financing methods are deemed to have a significant future financial obligation when they:

- Have a time span of five (5) years or more, and
- Either:
  - Have an annual expenditure of \$10,000 or more, or
  - Have a total obligation value of \$50,000 or more.

### 10.2 Debt Financing

Debt financing creates an accounting liability for UWCA, and includes instruments such as loans and lines of credit.

It is standard operating practice that UWCA does not utilize debt financing.

In the event UWCA wishes to incur debt financing, the Finance & Audit Committee will ensure they:

- Review the reason for obtaining the debt to ensure it is required ,
- Review CRA and Charities Directorate guidelines so as to not fall “off-side” in terms of acceptable debt, and
- Complete a competitive process to select the debt institution.

The Finance & Audit Committee will recommend the debt to the Board, and approval will be documented in the Board minutes.

## Section 11 – Reserves

The Board is solely responsible for reserve activities, including: determining which reserves funds are required, authorizing expenditures, and replenishing balances.

Expected reserve transfers will be included in the annual budget. Actual reserve transfers will be reviewed and approved by the Board during the annual audit process, and documented in the Board minutes.

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### 11.1 Externally Restricted Reserves

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The Board may establish externally restricted reserve funds when a donor gift requires such a reserve fund to be set up. Therefore, the Board will be required to approve acceptance of said gift.

UWCA currently has the following externally restricted reserve fund:

#### 11.1.1 Endowment Reserve

*Purpose*

This reserve arises from a gift received in 1975, which can only be used for operations upon liquidation of UWCA.

While the donor has not restricted the use of any income earned on the principal gift amount, the Board has chosen to allocate said income earned back into the Reserve.

*Appropriate Fund Balance Levels*

At fiscal year-end, the balance will not:

- Fall below the principal gift amount, or
- Exceed the principal gift amount plus any income earned on said principal amount.

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### 11.2 Internally Restricted Reserves

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The Board may establish internally restricted reserve funds, to be used for a specific strategic purpose or to address potential risks. Established funds will be reviewed by the Board every five (5) years, at a minimum, to ensure they are still appropriate.

Internally restricted reserves may be funded through the following methods, at the discretion of the Board:

- Transfers from unrestricted net assets,
- Reallocations between reserve funds, and/or
- Investment income earned on the funds.

UWCA currently has the following internally restricted reserve funds:

#### 11.2.1 Allocations Reserve

*Purpose*

This reserve will be used as a rainy day fund specifically relating to member allocations expenditures.

### *Use*

These funds will be used when the Board deems necessary during times of economic downturn or other event causing long-term unexpected setbacks.

### *Appropriate Fund Balance Levels*

At fiscal year-end, the balance will not:

- Exceed 50%, or
- Fall below 25%

Of the annual member allocations expenditures.

## **11.2.2 Operating Reserve**

### *Purpose*

This reserve will be used as a rainy day fund specifically relating to our operating expenditures, not including member allocations expenditures.

### *Use*

These funds will be used when the Board deems necessary during times of economic downturn or other event causing long-term unexpected setbacks.

### *Appropriate Fund Balance Levels*

At fiscal year-end, the balance will not:

- Exceed 50%, or
- Fall below 25%

Of the annual operating expenditures, excluding member allocations.

## **11.2.3 Technology Reserve**

### *Purpose*

This reserve will be used to ensure UWCA has the technology to operate effectively on an ongoing basis.

### *Use*

The use of these funds will be approved within the technology budget, which outlines the expected capital technology costs for the next ten years.

### *Appropriate Fund Balance Levels*

At fiscal year-end, the balance will not:

- Exceed 45%, or
- Fall below 25%

Of the expected ten-year capital technology costs as outlined in the technology budget.

## 11.2.4 Community Impact Reserve

### *Purpose*

This reserve will be used to fund additional community impact ventures to grow UWCA's reach to all edges of the Central Alberta community we serve, as well as to be used as a rainy day fund for external agencies when the loss of their programs would result in poor outcomes for the community.

### *Use*

These funds will be used when the Board deems necessary during times of economic downturn or other event causing long-term unexpected setbacks for the Central Alberta community, or to support planned growth strategies.

### *Appropriate Fund Balance Levels*

At fiscal year-end, the balance will not:

- Exceed 100%, or
- Fall below 50%

Of the estimated value of additional community support required plus the planned growth strategy costs. Said estimated value will be determined by the Finance & Audit Committee, and reviewed annually.

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## 11.3 Unrestricted Net Assets

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All other net assets not allocated to an externally or internally restricted reserve will be allocated to unrestricted net assets.

These funds will be used at the discretion of the Board during the annual budget process.

## Section 12 – Gift Acceptance

UWCA has created the following policies to help determine when non-cash gifts should be accepted.

UWCA staff or volunteers will not offer any tax or other advice related to any type of non-cash transaction. Staff may offer best practices, but will be explicit in all conversations with donors that they do not provide professional advice in regard to the proposed gift. For transparency purposes, staff will always recommend that the donor seek appropriate advice prior to completing the transaction.

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### 12.1 Gifts of Marketable Securities

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Gifts of marketable securities will be accepted by UWCA for the sole purpose of liquidation to cash.

UWCA reserves the right to decline the gift due to:

- The nature of the donated company's business interest causing significant risk to UWCA, and/or
- Inability to liquidate the securities.

UWCA will liquidate the gift within 120 days.

For the purposes of tax receipting, the fair market value will be calculated as the average of the high and low market value on the date the gift is donated.

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### 12.2 Gifts of Real Property

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Gifts of real property must be reviewed by the Finance & Audit Committee and approved by the Board, regardless of the market value.

UWCA will only accept gifts of real property for the purposes of:

- Liquidating to cash,
- Holding for immediate or future use, or
- Gifting to another agency.

Prior to accepting gifts of real property, the gift will be assessed to ensure it is:

- Free and clear of all liens and other encumbrances,
- Not environmentally contaminated,
- Not designated as Ecologically Sensitive Land, and
- Does not inherently carry other elements that place UWCA in a position of significant risk.

Professional advice will be sought to ensure that all elements of legal and other risk – including potential liability – have been explored prior to committing to accepting the gift.

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### 12.3 Other Gifts In-Kind

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This subsection includes other non-cash gifts not included in the previous subsections, including but not limited to:

- Capital, depreciable, and/or personal-use property that is not integrated or affixed to real property,
- Small goods, or
- A residual interest, right of any kind, license, share, and/or inventory of a business.

UWCA will only accept these in-kind gifts for the purposes of:

- Liquidating to cash,
- Using within UWCA's operations and programs,
- Redistributing to other agencies, and/or
- Raising funds for the organization.

UWCA reserves the right to decline a gift due to:

- Irrelevance,
- Poor condition, or
- Inability to liquidate the item.

Prior to accepting in-kind gifts, the gift will be assessed to ensure it is:

- Free and clear of all liens and other encumbrances,
- Not designated as Certified Cultural Property, and
- Does not inherently carry other elements that place UWCA in a position of significant risk.

Where appropriate, UWCA will seek legal and other professional advice prior to accepting the gift.

For in-kind gifts with a market value over \$2,000, both the Treasurer and CEO will approve acceptance of the gift.

## Section 13 – Receipting

Charitable receipts are issued in accordance with the CRA guidelines. The following are policies specific to UWCA.

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### 13.1 Special Events

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UWCA will not issue a tax receipt for any special event donations. Special event donations are defined as moneys received from raffles, proceeds of goods sales, small-ticket sales, or un-attributable sums of money (e.g. change can) that a workplace, individual or UWCA coordinates.

Other event proceeds – such as large-ticket sales or auction proceeds – will be receipted in accordance with CRA guidelines; whereby, the advantage amount is determined, and the “de minimus rule” is applied.

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### 13.2 Employee Donations

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Employee donations will be tax receipted either by UWCA or by the workplace, depending on how the pledge is to be processed.

#### *Payroll pledges*

The workplace will issue the tax receipt as a line item on the employee’s T4 at year-end.

In some cases, the employer may request UWCA issue the tax receipt(s); however, this is to be discouraged and every effort will be made to have the workplace manage these receipts.

#### *Credit card, cash, or cheque pledges*

UWCA will issue the tax receipts for these employee pledges, as the payments will be received directly by UWCA instead of flowing through the workplace’s financial processes.

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### 13.3 Threshold

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Receipts will not be issued for donations under \$25, unless the donor specifically requests a receipt for a donation below this threshold.

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### 13.4 Security

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UWCA uses pre-printed sheets for its mailed tax receipts; these will be secured in a locked space to ensure they are not used for inappropriate purposes.

## Glossary

The following are terms used within this document which may require definition for full comprehension.

### *ASNPO*

Acronym for Canadian Accounting Standards for Not-For-Profit Organizations.

### *ASPE*

Acronym for Canadian Accounting Standards for Private Organizations.

### *Centrally Coordinated Campaign (CCC)*

When a workplace chooses to coordinate their workplace campaign through a single United Way (the host), with the host then disbursing the funds to each recipient United Way.

UWCA does not act as a host United Way, but we do receive many workplace donations through a CCC.

### *CRA*

Acronym for Canada Revenue Agency.

### *DBRS*

A well-known investment rating system.

### *De minimus rule*

A rule used by CRA to determine whether a tax receipt can be issued for a donation with an advantage attached. This rule helps to determine the intent of the donor to give a donation, as opposed to purchasing a product or service.

### *Large-ticket sales*

Payment of a ticket that is intentionally priced much higher than the “going value” of the event or program, which denotes intent to give a donation to UWCA.

### *Long term investments*

Investments that are purchased with the intention of holding them for a year or more in order to earn a higher rate of return. This definition differs from that used for accounting purposes, and is used when making investment decisions. The accounting definition will be used for year-end reporting purposes (i.e. audited financial statements).

### *Real property*

Includes land and any structure integrated or affixed to the land.

### *Short term investments*

Investments that are held with the intention of drawing throughout the year for operational purposes. This definition differs from that used for accounting purposes, and is used when making investment decisions. The accounting definition will be used for year-end reporting purposes (i.e. audited financial statements).

### *Small-ticket sales*

Payment of a basic fee for admission to an event or program.

*Surplus cash*

Cash on hand that is not required for operations or other short-term purchases. Due to the cyclical nature of UWCA's operations (i.e. campaign and non-campaign season), the level of surplus cash fluctuates throughout the year.

*TAFR*

Acronym used for United Way Centraide Canada's Transparency Accountability and Financial Reporting Policy and Toolkit. This policy and toolkit guide how each individual United Way must disclose their financials to the public.

*UWCA*

Acronym for United Way of Central Alberta.

*UWCC*

Acronym for United Way Centraide Canada, the national United Way body.