



## Islands Trust Fund

# POLICY MANUAL

Code: TFB 06001 Policy ☉ Procedure ☉ Guideline ○

Title: FUNDRAISING AND DONATIONS

Approved By: Trust Fund Board Date: August 9, 2006 Resolution #: TFB 06/858

Chair Signature:

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### Purpose

To establish a general policy for Trust Fund Board fundraising and donations (excluding donations of land).

### Background

The *Islands Trust Act* establishes the Islands Trust Fund Board to receive and manage cash donations, grants and securities for the purpose of carrying out the object of the Islands Trust. The Trust Fund Board approves fundraising activities and the allocation of donations it receives. Fundraising activities are conducted as part of land acquisition projects, primarily in partnership with other local conservancy groups who have requested assistance from the Trust Fund Board. These partner groups are the lead organizers of fundraising initiatives while Islands Trust Fund staff provides support according to budget and staff availability.

The Islands Trust Fund Plan 2003-2007 states the Trust Fund Board will participate in campaigns to raise funds for the purchase of a desired property as it deems appropriate. To this end, the Plan also states the Trust Fund Board will seek additional funding, as necessary, in the form of grants from government and foundations, as well as donations from individuals, corporations and societies.

### A. Policy: Legal and Ethical Fundraising Practices

1. The Trust Fund Board will, to the best of its ability given its budgetary and staffing resources, ensure that the Islands Trust Fund staff adheres to current ethical standards of philanthropy and fundraising practices.

2. Whenever it seems that the investment in fundraising required (including staff salaries) will exceed 25% of the amount to be raised, Islands Trust Fund staff will present a report to the Trust Fund Board for its review. Donated funds will not be spent raising further funds.
3. Islands Trust Fund staff will ensure that all representations made in Islands Trust Fund materials are accurate with respect to its fundraising initiatives and accomplishments. To the extent possible, Islands Trust Fund staff will ensure the accurate representation of the Islands Trust Fund's activities in literature developed by external partner groups or agencies.
4. The Trust Fund Board will ensure that all funds raised are used for the purposes identified in the fundraising campaign literature or as directed in writing by the donor, except as otherwise provided in this Policy.
5. The Trust Fund Board will respect a donor's request to cease or limit solicitations, to not solicit by telephone or other technology, or to receive or discontinue receiving printed materials from the Islands Trust Fund.
6. Islands Trust Fund staff will attempt to provide acknowledgement letters and official tax receipts within two weeks of receiving the donation or grant, following current Canada Revenue Agency instructions. Islands Trust Fund staff will carry out donor recognition activities according to Trust Fund Board policy.<sup>1</sup>
7. Where feasible, Islands Trust Fund staff will assist international donors to obtain tax receipts acceptable in their own country.
8. Because of the potentially significant tax and legal consequences for a donor, Islands Trust Fund staff will advise potential donors to consult professional legal and tax advisors when considering a significant donation to the Islands Trust Fund.
9. The Islands Trust Fund is bound by the *Freedom of Information and Protection of Privacy Act* (British Columbia). All personal information collected by the Islands Trust Fund is protected under that Act and may only be used and disclosed in accordance with the provisions of that Act.
10. The Trust Fund Board and its staff respect donor privacy and will ensure information regarding donors is kept confidential where requested by a donor, except where otherwise required by law. Donor information may be shared in cases where specific permission has been given by the donor.

## **B. Policy: Soliciting Donations and Grants for Acquisition Projects**

1. The Trust Fund Board will authorize fundraising activities in support of acquisitions:
  - a) when the acquisition is consistent with the goals of the Regional Conservation Plan;
  - b) when budget and staff resources allow; and,
  - c) when local conservation groups or equivalent organizations take the lead or demonstrate tangible support for the fundraising effort.

<sup>1</sup> See TFB 02013 Donor Recognition Policy.

2. The Islands Trust Fund Manager, in consultation with the Communications & Fundraising Specialist, will determine the budget and staff resources available and the best methods to solicit pledges, donations and grants for each designated project or program (preferably in partnership with a local group). Methods may include, but are not limited to:
  - use of the Islands Trust Fund or Islands Trust websites and newsletters;
  - direct mail to contacts and past donors;
  - newspaper articles;
  - grant enquiries or applications to funding sources;
  - site tours for potential major donors;
  - special events approved by the Trust Fund Board; and
  - other methods approved by the Islands Trust Fund Manager, subject to the budget limitations in A.2 and the plan approval process in B.3.
3. The Islands Trust Fund Manager will submit a proposed fundraising plan to the Trust Fund Board and the partner groups for approval before proceeding including an estimate of the staff and financial resources required.
4. The Communications and Fundraising Specialist will provide regular updates to the Trust Fund Board regarding donations and grants received for specific projects through the “current projects update” reports. Regular updates will also be provided to the partner groups.

### **C. Procedure: Tracking and Banking Donations, Grants and Pledges**

1. The Islands Trust Fund Manager will establish and maintain a system for tracking donors, donations, grants, pledges and donor wishes.
2. The Islands Trust Fund Manager will provide regular updates to the Trust Fund Board and the Director of Administrative Services regarding pledges, donations and grants received as well as bank account balances for specific projects.
3. Separate bank accounts will be established for each project for which donations or grants are anticipated, unless service charges are too high to justify this. Donations designated for a specific project will be deposited into the bank account assigned to that specific project.
4. Donations not designated for a particular project, or marked “where most needed”, will be deposited into the Opportunity Fund according to Trust Fund Board policy.<sup>2</sup>
5. Donations specifically designated for annual operating costs will be deposited into the Islands Trust bank account and the Islands Trust Fund Manager will spend it on the designated purpose within 12 months.
6. If a donation is received before an account has been established, it will be deposited into the Islands Trust bank account and transferred into the designated account when established.

<sup>2</sup> See Opportunity Fund Guidelines

- a) For fundraising campaigns based on collecting pledges, Islands Trust Fund staff will create a pledge form for the donor to sign promising to forward funds within 30 days of being notified that the acquisition is a certainty (estimated date to be provided on the form) and providing a preferred method of follow-up (letter, phone-call, fax or e-mail).
  - b) Once the acquisition is a certainty, Islands Trust Fund staff will notify donors using the donor's preferred contact method.
  - c) Pledges not fulfilled after 30 days will be subject to two reminders before they are considered void.
  - d) Donors making pledges after the campaign is closed will be contacted to see whether their pledge can be re-allocated to any other active project, as under D.3.
7. Islands Trust Fund staff will respond promptly to questions or complaints by a donor or prospective donor about any matter concerning its fundraising or accounting. Islands Trust Fund staff will attempt to satisfy a complainant's concerns and will report to and seek direction from the Trust Fund Board on any matters that remain unresolved.

#### **D. Policy: Use of Excess Funds Received for Specific Projects**

1. Where donations and grants are received for specific projects, any interest earned on those amounts will be used only for those same purposes, except as otherwise set out in this Policy.
2. Where funds have been raised toward a specific project and the project fails to be completed for any reason (e.g., insufficient funds, breakdown in negotiations), donations are not refundable. Islands Trust Fund staff will contact all donors to advise them of the situation and ask if they wish to have their donation deposited into the Opportunity Fund, used for another project on the same island, transferred to a current project elsewhere in the Trust Area, or transferred to the Islands Trust for a future project in the Trust Area.
3. Where funds have been raised toward a specific acquisition project and the project has been completed with excess funds remaining, the Trust Fund Board will decide on one of the following options for its use:
  - a) the Board may direct the monies to an account for management of the specific property acquired;
  - b) the Board may direct the monies to the group managing the specific property on behalf of the Board for management of the property;
  - c) the Board may hold the monies until such time as they can be directed to another conservation acquisition project on the island; or
  - d) the Board may direct the monies to a partner group that has worked on the project.In making this decision, the Trust Fund Board will consider the amount of excess funds, the anticipated land management costs, the existing property management budget, potential for other conservation acquisition projects on the island in the short term, the comments of partners in the project and any other information the Trust Fund Board deems relevant.
4. Islands Trust Fund staff will discuss the Trust Fund Board's intentions regarding the use of excess funds raised for a specific project with all partners involved in the project.

5. If more than \$1,000 remains as excess funds from a single donor, Islands Trust Fund staff will advise the donor of what has been done with the excess funds.

## **E. Policy: Stocks, Securities, Endowments and Other Financial Donations**

1. If donations are received in the form of stocks or securities, these stocks or securities will be cashed by Islands Trust Fund staff immediately following receipt of the donation, unless the Trust Fund Board directs otherwise by resolution.
2. If donations or grants are received in the form of an endowment, the Islands Trust Fund Manager will immediately deposit the funds into a designated account and will research investment and management options for Trust Fund Board discussion and direction, consistent with *The Trustee Act*.
3. If the Trust Fund Board receives other types of financial donations or grants that are not covered under this Policy, the Islands Trust Fund Manager will seek direction from the Trust Fund Board at the next regularly scheduled Board meeting following receipt of the pledge or donation.

## **F. Policy: Financial Donations and Accountability**

1. The Trust Fund Board and its staff are accountable to its donors and to the Canada Revenue Agency for the proper usage and disposition of all donations and grants received.
2. The Trust Fund Board and its staff follow established professional accounting and financial reporting procedures and guidelines in accordance with Islands Trust policies and all applicable laws.

## **References:**

- Islands Trust Act*  
*Islands Trust Fund Plan 2003-2007*  
*Regional Conservation Plan 2005-2010*  
Opportunity Fund Guidelines (attached)  
TFB Role in Partnership Acquisitions Policy (under revision 2006)  
TFB 02013 Donor Recognition Policy

## **Additional References:**

- Canadian Land Trust Standards and Practices, 2005*  
*Ethical Fundraising and Financial Accountability Code, Canadian Centre for Philanthropy, 2005.*  
*AFP Code of Ethical Principles and Standards of Professional Practice, Association of Fundraising Professionals, 2004.*  
*The Trustee Act*

