



XXX: Equipment and In-kind Donations (A/P)

Approved: 24 06 11

BACKGROUND

School District 70 Pacific Rim is registered with Canada Revenue Agency as a charitable organization for the purpose of ‘advancement of education’ as defined in the Income Tax Act and is entitled to issue charitable receipts for income tax purposes for eligible donations. The advancement of education for charity purpose must include formal instruction or training of the mind, preparing a person for a job; or improving a useful branch of human knowledge. In addition, the Supreme Court of Canada has further established criteria to determine whether a purpose or activity is charitable as follows:

- There must be structure and a genuinely educational purpose.
- There must be a teaching or learning component.
- There must be a legitimate, targeted attempt to educate others.

PROCEDURE

1. Acceptance of Donated Equipment

All equipment donations must be approved through the Secretary Treasurer’s office before being accepted. The Secretary Treasurer or designate will review the application form with the appropriate departments and advise the school principal of its acceptance. The donated equipment will become property of the district upon acceptance of the donation. The wishes of the donor for the use and location of the donated equipment will be honoured as practicable.

1.1 Once the Secretary Treasurer’s office receives a request for donated equipment or labour and obtaining local endorsement, the school principal (or designate) must complete a Donation Request Form to receive school district support. Donation Request Forms are provided by the Finance Department.

1.2 All parties must understand that all donated equipment will become the property of the school district upon acceptance.

1.3 Approval of the Director of Operations is required for all donated labour and equipment over \$2,000.

1.4 Approval from the Manager of Information and Technology (IT) is required for all donated IT and information systems equipment over \$1,000.

1.5 The school district assumes no obligations to maintain or replace donated equipment. Projects involving donations of equipment must undergo a technical evaluation by staff to determine:

- Suitability for the intended purpose
- Related costs, such as availability of power/water, physical changes to the building/grounds, etc.
- Safety considerations
- Conformity with the school district’s equipment standardization
- Compliance with relevant codes



2. Donations in kind

2.1 Donations of equipment, furnishings and site improvements can only be accepted, and a charitable receipt issued after the charitable purpose is confirmed pursuant to this procedure and:

2.1.1 Equipment donations have a program use which is acknowledged by management responsible for the program.

2.1.2 The goods must be for educational purposes not for resale.

2.1.3 Fair market value is at least \$250 and the cost to substantiate fair market value does not exceed the donation value.

2.1.4 Fair market value has been substantiated as noted below and agreed to by the donor.

2.1.5 Equipment must be of a standard acceptable to the school district including considerations of technical compliance, capable of being operated and repaired at a reasonable cost.

2.2 The fair market value of donations-in-kind will be determined and communicated to Corporate and Financial Services for:

2.2.1 computers and other information technology equipment – by IT Department; and

2.2.2 all other donations-in-kind – by the Director of Operations

2.3 Computers and other information technology equipment must be delivered to the IT Department for evaluation (i.e., not received by district offices and schools) before fair market value can be determined. Such equipment must be clearly labeled as to the identity of the donor and the designated school when shipped to the IT Department.

2.4 Goods that are unused must be donated with the accompanying vendor receipt as proof of valuation.

2.5 Goods that are not new must be donated with an accompanying appraisal:

A) If the item(s) is valued at more than \$1,000, a professional appraisal must be provided by a third party who has expertise in the field of the donated good.

B) If the item is valued at less than \$1,000, an employee of the School District with sufficient knowledge of the property may determine its value.

2.6 Charitable receipts for donation-in-kind will not be produced until there is confirmation that the goods have been received.



3.0 Ineligible Donations

3.1 Canada Revenue Agency has determined that not all gifts qualify as a charitable donation that give rise to charitable donation receipt. Such items that do not qualify for a charitable tax receipt include, but are not limited to, the following.

- Cash received in loose collections where the donor cannot be identified,
- Donations of services,
- Donations of second-hand clothing,
- Donations of furniture and equipment with no educational value,
- Gift certificates or cards,
- Pledged donations,
- Lottery tickets,
- Tuition and membership fees, and
- Payment of a basic fee for admission to an event or to a program.

3.2 Gifts from a Foundation by definition, do not have charitable donation receipts issued.

RESOURCES AND REFERENCES

- Nanaimo Ladysmith School District Admin Procedure 514- Donated Equipment
- Coquitlam School District 43 Admin Procedure 517 – Charitable Donations



Equipment Donation Form

Donor Information:

- Name: _____
- Address: _____
- Phone Number: _____
- Email: _____

Equipment Details (include a picture of the item and other supporting documentation for price i.e.: online sales figures):

- Type of Equipment: _____

- Brand/Model: _____
- Serial Number (if applicable): _____
- Age/Condition: _____
- Estimated Value: _____

Donation Details:

- Date of Donation: _____
- Purpose of Donation (e.g., for use in programs, resale, etc.): _____

- Special Instructions/Restrictions (if any): _____

Acknowledgement:

- I certify that the above information is accurate to the best of my knowledge.

Agreement to Terms:

- I understand that all donated equipment becomes the property of the school district upon acceptance.
- I confirm that the equipment is being donated for educational purposes and not for resale.
- I agree to the terms and conditions outlined in the equipment donation procedure.

Signature: _____ Date: _____
(Principal)

Signature: _____ Date: _____
(Director of Operations or Manager of IT approval)

Signature: _____ Date: _____
(Secretary Treasurer or designate)