

Salt Spring Island Conservancy

Policy Manual

##

Subject: Gift Acceptance Policies and Disposition Policy: II. Outright Gifts – Cash, Securities, Land, and Tangible Assets

Date Passed: June 19, 2008

The Conservancy welcomes outright gifts of cash and negotiable instruments in any amount. Gifts established for endowment or named funds must meet the minimum funding requirements set by the Conservancy. The Conservancy also welcomes offers of outright gifts of property, however, these offers must be approved by the Board of Directors. Pending the Board's decision, nothing should be done which might be construed as acceptance of a gift.

The President or designate is authorized to accept gifts designated for existing programs. If the donor wishes to place other restrictions on their proposed gift, the Board of Directors will make the final decision about whether or not the gift will be accepted.

1. Gifts of Cash

An outright gift of cash refers to a contribution of cash (money order, cheque, actual cash) in which the donor retains no interest and which can be used currently by the Conservancy. These gifts may also come from an estate.

A donor may complete a gift in a single transaction or make a pledge(s) to be paid over whatever period of time is mutually acceptable to the donor and the Conservancy.

2. Gifts of Publicly-Traded (Listed) Securities (including mutual funds)

The Conservancy accepts publicly-traded securities, including stocks, bonds and mutual funds listed on approved stock exchanges. These securities are accepted if they will not subject the Conservancy to penalties and can be sold, either once acquired or in the future, on the open market.

Immediately upon notification of donation of stocks, bonds or similar speculative instruments and upon transfer of title to the Conservancy, the Executive Committee shall sell said instruments and deposit the funds into the Conservancy general account. At the next Director's meeting, the Board shall instruct the Treasurer as to disposal of the funds (e.g., transfer to restricted funds, endowment fund, etc.).

In exceptional circumstances, but not solely because of a predicted rise in value, the Executive Committee may delay the sale of donated stocks, bonds or other securities until the Board at its regular meeting immediately following the fit, shall consider disposal or retention.

A donation receipt is issued for the fair market value of the securities donated. Fair market value is the closing price on the day the shares are received electronically by the

Salt Spring Island Conservancy

Policy Manual

##

Conservancy, or in the case of certificates, the day they are physically received by the Conservancy's agent.

Any fees incurred by the donor (agent's fees, commissions) will be the responsibility of the donor. The Conservancy will be responsible for any agent fees following the gift transaction.

3. Gifts of Private Corporation (Non-listed) Securities

For offers of over-the-counter shares or shares in Canadian Controlled Private Corporations (CCPCs), the Board of Directors will seek professional advice regarding the valuation, possible restrictions, and liquidity of such shares prior to acceptance.

4. Gifts of Land

Gifts of real estate may be made in various ways: outright gift, residual interest in the property, or to fund a charitable remainder trust. This section will deal only with those considered outright gifts.

The Conservancy will be guided by the Canadian Land Trust Alliance document, *Canadian Land Trust Standards and Practices (2005) Part II: Land Transactions*, which covers evaluation and selection of conservation projects and other aspect conservation agreements.

The Board of Directors will accept gifts of real estate if the following criteria are met:

- the use or image of the property is consistent with the Conservancy's purposes
- any restrictions requested by the donor are acceptable to the Conservancy
- the Conservancy has the capacity and resources to manage the property
- the effect of a proposed gift on the Conservancy's disbursement quota, if the gift is not a bequest or is not made subject to a 10-year donor direction, is acceptable.

Based on its assessment, the Board of Directors may choose to:

- Accept and keep the property for its ecological values
- Accept the property, covenant the ecological values, and then sell it
- Accept the property and then sell it immediately
- Accept the property for other Conservancy purposes
- Make other arrangements based on individual circumstances

The Conservancy will ask donors to provide an independent appraisal of the value of the property. Unless otherwise decided by the Board of Directors, the donor will be responsible for the cost of appraisals, surveys, and any other fees associated with the donation.

5. Gifts of Tangible Assets

From time to time the Conservancy may be offered gifts of tangible assets. Policies on the acceptance of such goods are covered under *Gift Acceptance and Disposition Policy: General Principles* and under the *Legal Counsel and Appraisals Policy*.