

# SELKIRK & DISTRICT COMMUNITY FOUNDATION INC.

## Financial Accountability Policy

The purpose of the policy is to provide guidelines for the Foundation's financial accountability to its directors, its donors, volunteers, staff and the community as a whole.

The Foundation's financial affairs will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of provincial and federal regulators.

All donations will be used to support the Foundation's objects, as registered with CRA.

All restricted or designated donations will be used for the purposes for which they are given.

If an alternate use for a donation is necessary due to program or organizational changes, the change will be discussed with the donor, or donor's legal designate. If no agreement can be reached with the donor or donor's legal designate, the unexpended part of the donation will be returned to the donor. If the donor is deceased and the Foundation is unable to contact a legal designate, the donation will be used in a manner that is consistent as possible with the donor's original intent.

The annual financial reports will be factual and accurate in all material respects. The annual report will be prepared using generally accepted accounting standards for not-for-profit organizations established by the Chartered Professional Accountants Canada, in all material respects.

The Foundation's records will disclose the following information required for the annual Charity Return:

- the total amount of donations and expenses including salaries and overhead,
- the total amount of donations that are receipted for income tax purposes (excluding gifts from other charities),
- the total amount of expenditures on charitable activities,
- identification of government grants and contributions separately from donations.

The disbursement quota is the minimum amount a registered charity is required to spend each year on its own charitable activities, or on gifts to qualified donees (for example, other registered charities). The disbursement quota calculation is based on the value of a charity's property not used for charitable activities or administration.

For public foundations (community foundations), if the average value of a community foundation's property not used directly in charitable activities or administration during the 24 months before the beginning of the fiscal period exceeds \$25,000, the charity's disbursement quota is 3.5% of the average value of that property.

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The Foundation will meet or exceed CRA's requirement for the disbursement quota. When this is not possible any excess gained in previous years be used to meet this requirement. If this is not possible the Foundation will apply to CRA to seek relief.

This policy is to be reviewed every three years.

### **ADOPTED at a meeting of the Board of Directors of the Foundation:**

**DATE:** May 10, 2016

**Chair** \_\_\_\_\_ **Kelly Lewis**

**Secretary** \_\_\_\_\_ **Shirley Muir**