



**Sunrise Education  
Foundation Procedures  
DRAFT 4.0**

**November 22, 2023**

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2023**

**Revised January 31,  
2024**

**Revised April 2, 2024**

**Revised May 10, 2024**

The procedures are to give Division Administration guidelines to follow when accepting donations and distributing gifts under the Sunrise Education Foundation. The procedures are to be utilized in conjunction with the amended and restated declaration of trust of the Sunrise School Division, in respect of the Sunrise Education Foundation (declaration of trust).

Once the Sunrise School Division Board of Trustees approves the procedures, any future changes made to the procedures will be approved by the Education Foundation Trustees or Executive. Documents of trust amendments are approved by the Board of Trustees and Provincial courts.

**1) Definitions**

- a) Education Foundation Trustees – in respect to the operation of the Education Foundation, Trustees are the representatives appointed to the Education Foundation by the Sunrise School Division Board of Trustees. Foundation Trustees also include Secretary-Treasurer and Superintendent.
- b) Executive Committee – As per the declaration of trust, it is a three-person committee comprised of an individual holding the office of Chairperson of the Board of Trustees, Superintendent and Secretary-Treasurer of the Sunrise School Division.

**2) Purpose**

As per Article II of the amended and restated declaration of trust of the Sunrise School Division, in respect of the Sunrise Education Foundation.

The purposes of The Foundation (the "Purposes") are and shall continue to be to raise funds and other resources from donations and pledges from the public or

through other fundraising means, and to ultimately use and apply same in support of the advancement of education and/or physical activity of students within the Sunrise School Division (the "Division") and the development and/or enhancement of facilities therefore, including, without limitation:

- a) the provision or scholarships and bursaries for current and former students of the Division;
- b) the development and/or enhancement of educational programs and/or facilities for the current students from time to time within the Division;
- c) the promotion of physical activity for students of the Division, including the development of sport facilities and/or the purchase of equipment thereof;
- d) the purchase of computers, school supplies or other educational tools for use by teachers and students of the Division;
- e) the funding of education through travel programs for students as well as organized extra-curricular activities by way of contributing all or part of the costs for the current students of the Division from time to time to participate in school organized extra-curricular activities and educational school trips; and
- f) to do such other things that are ancillary and incidental to achieving the Purposes as may be approved by the Board of Trustees from time to time.

Any profits or other accretions to The Foundation shall be used and applied solely to and for the Purposes.

### **3) Education Foundation Trustees**

- a) As per Article IV 4.01 of the declaration of trust, the sole trustee of The Foundation is and shall continue to be the Sunrise School Division. All decisions to be made in respect of The Foundation, other than administrative decisions delegated pursuant hereto, are and shall be made by the Division by and through the majority vote of the Division's Board of Trustees, as same is appointed or otherwise constituted from time to time.
- b) Education Foundation Trustees, appointed by the Division's Board of Trustees, will vote for the Chair and Vice-Chair of the Education Foundation Committee. The Chair and Vice-Chair of this committee will be one of the three Trustees from the Division's Board of Trustees.
- c) Quorum shall consist of at least three (3) members, a minimum of one of either Superintendent or Secretary-Treasurer must be present. If there is no quorum,

then the meeting shall be cancelled and rescheduled to meet the quorum requirement.

#### **4) Term of Education Foundation Trustee**

- a) Membership shall be compensated as per the indemnity-by law and funded as an ad hoc committee.
- b) The position will be appointed annually, at the inaugural board meeting of the Sunrise School Division.
- c) For the first two years, until fall of 2025, it is recommended that the same members be appointed to continue continuity for the creation and establishment of procedures and guidelines.

#### **5) Meetings**

- a) There shall be an annual meeting held within four (4) months after the end of the fiscal year of The Foundation.
- b) The Foundation Trustees shall meet at least twice during the school year: October and April. (On election years, Trustee representative will set a meeting as soon as possible).
- c) Notification of a special meeting shall occur at least one week prior to the meeting date.
- d) The Education Foundation meeting reports shall be posted on the Division website for public information. The Foundation shall report to the Division through the submission of Foundation meeting minutes.
- e) The Executive Committee shall initiate the meetings of each school year.

#### **6) Responsibilities and Duties of Foundation with respect to Contributions and Distribution of Monies within The Foundation:**

##### **a) Contributions**

(a) Contributions to The Foundation may be made by bequest, outright gift, memorial gift or corporate donation. Contributions may be made in cash, by transfer of financial assets or through gifts-in-kind. The Executive Committee reserves the right to convert goods into cash. Parent Advisory Councils and Parent Councils may contribute to The Foundation for defined purposes in order to utilize the charitable status of the fund, i.e. playground funds.

(b) Donors are responsible for all personal accounting or legal implications. Responsibility for the evaluation and appraisal of gifts in

kind shall rest with the Office of the Secretary-Treasurer who shall provide an acceptable third-party arm's length appraisal, at the cost of the donor, if an income tax receipt is required. If a third-party arm's length appraisal is not available, the Office of the Secretary-Treasurer will determine the amount of the donation. This amount is indisputable.

- (c) The responsibility for determining the acceptability of any donation shall reside with the Executive Committee which may decline any donation it considers to be inconsistent with the principles of public education or the needs of the public schools within the Division. Further, the Committee shall have the authority to determine whether a donation in kind qualifies for a charitable receipt.

**b) Non-Cash Contributions**

- (a) Gifts-in-kind - A gift-in-kind is a non-cash gift of property. In order to produce a charitable receipt for donors of gifts in kind, the following information must be provided:

1. A description of the item donated;
2. The name and address of the donor;
3. The fair market value of the item;
4. The name and address of the appraiser.

- a. The fair market value of the item should be determined and documented by someone other than the donor. As per Canada Revenue Agency website <http://www.cra-arc.gc.ca/chrts- gvng/chrts/prtng/rcpts/dtrmnmfv-eng.html>:
- b. Fair market value is normally the highest price, expressed in dollars, that property would bring in an open and unrestricted market, between a willing buyer and a willing seller who are both knowledgeable, informed, and prudent, and who are acting independently of each other.
- c. Generally, if the fair market value of the property is less than \$1,000, a member of the registered charity, or another individual, with sufficient knowledge of the property may determine its value.
- d. The person who determines the fair market value of the item should be competent and qualified to evaluate the particular property being donated.
- e. If the fair market value is expected to be more than \$1,000 the property must be professionally appraised by a third party (that is, someone who is not associated with either the donor or the charity).

- f. If the property is appraised, the name and address of the appraiser must be included on the official donation receipt.
- g. For property that is not used, or second-hand, fair market value can be the retail price commonly found for the item in stores. Used or second-hand property should be assessed as described above.

**c) Gift in Service**

- (a) As per Canada Revenue Agency website:

<http://www.cra-arc.gc.ca/chrts-qvng/chrts/prtng/gfts/srvcs-eng.html>:

A charity cannot issue a receipt for a gift of service. At law, a gift is a voluntary transfer of property without consideration. Contributions of services (for example, time, skills, effort) are not property. Therefore, they do not qualify as gifts for the purpose of issuing official donation receipts. The Foundation cannot issue official donation receipts for gifts of services. However, it can issue receipts under the following conditions:

- (b) If it pays a service provider for services rendered and the service provider then chooses to donate the money back, The Foundation can issue a receipt for the monetary donation (this is often referred to as a cheque exchange). In such circumstances, two distinct transactions must take place:
- 1. A person provides a service to The Foundation and is paid for that service.
  - 2. That same person makes a voluntary gift of property to The Foundation.
- (c) The Foundation shall make sure that it keeps a copy of the invoice issued by the service provider. The invoice and cheque exchange not only ensure the receipting of a gift of property, but they also create an audit trail, as the donor must account for the taxable income that is realized either as remuneration or as business income.

**7) Distribution of Funds**

**a) Specified Donations**

- (a) Donors may make donations in cash or gifts-in-kind for specified purposes or as general contributions which fulfill the purpose of The Foundation as previously stated. Donations received for specific

projects or purposes shall be reported at each meeting.

- (b) Once projects valued at \$20,000 or more are approved by the Foundation Trustees and ratified by the board of trustees, the funds shall be disbursed as soon as possible in accordance with the specifications of the donor and in cooperation with the school, department or individual who is the recipient of the donation.
- (c) Donations for specific projects or purposes as identified by the donor and/or requests for specific projects or purposes from Division schools, departments, students or staff, should fulfill the purpose of the fund and are generally expected to meet the following guidelines:
  - (i) For capital equipment with an individual value greater than \$1,000 (one thousand) and an anticipated useful life greater than three years, for use by students or for administrative use anywhere within the Division.
  - (ii) For bursaries/scholarships for Division-wide allocation or for individual schools.
  - (iii) For special projects not normally or exceptionally provided through the annual budget or available from other Division funds.

**b) Non- Specified Donations**

- (a) For non-specified donations received by the fund, The Foundation trustees will receive requests/proposals from Division schools, departments, students and staff throughout the year. Requests from individuals must be supported by a Division school or department. At each meeting the Foundation trustees shall review the requests received and allocate the available funds to the projects approved.
- (b) Time sensitive requests may be received and acted upon at any time provided there is agreement to do so as indicated by a 2/3 majority vote of The Foundation trustees which may be obtained by telephone/email poll where full disclosure of the request is provided.

**8) Use of Funds and General Funding and Operations**

- a) A portion of up to 10% of Interest earned from investments and interest bearing savings accounts will be allocated to a general fund used for legal, professional, trustee indemnity, and general operations.

**9) Regulations**

- a) The Foundation will be administered by Division administration office staff with the guidance and direction of The Foundation trustees using the following guidelines:

- i) Charitable donation receipts will be issued for contributions of cash or gifts-in-kind made to the fund in the amount of \$25 or greater;
- ii) Such receipts will be issued from the Sunrise Business Centre Office;
- iii) Cash contributions will be deposited in a separate interest-bearing bank account established for this fund;
- iv) Larger accumulations of funds will be invested in securities authorized under *The Public Schools Act* or invested cooperatively under certain circumstances with such organizations as another *Community Foundation (Winnipeg Foundation, Brokenhead Foundation)*;
- v) The fund shall be maintained as a Trust Fund within the Division accounting records but as a distinct area separate from regular operations;
- vi) As part of the Division accounting records the fund will be subject to the annual audit as applied to the Division's overall operations;
- vii) Audited Statements, completed by the School Division's appointed auditor, will be presented to the board no later than four (4) months after the fiscal year end. The audited statements can be shared with the Division's Board and Foundation Trustees at the same time as the Division's annual audited consolidated financial statements.
- viii) An accounting report summarizing receipts, disbursements and Bank / investment balances shall be provided to The Foundation Trustees at every regular scheduled meeting in accordance with the school division's finance department operations month end.
- ix) The means of recognition will be determined by The Foundation Trustees at a scheduled meeting of the year and will be administered through the Executive Committee;
- x) The signing authorities for the bank account will be the Division's authorized signing authorities;
- xi) Disbursements of the donations received shall be made as soon as possible; after the Committee has approved, and the Division has ratified the projects.

#### **10) New Project Request Procedures**

- a) All requests/projects for \$20,000 or more must submit a completed "*Charitable Tax Receipt Project Designated Request Form*" to The Foundation.
- b) Any new scholarship donation will require a scholarship criteria form to be submitted at the time of donation.
- c) The request/project will be circulated to all Foundation Trustee members for review and approval to ensure all *Canada Revenue Agency* requirements and The Foundation guidelines are met for a charitable receipt issuance.

#### **11) Investments**

- a) The Secretary-Treasurer will gather quotes on investments and will prepare a recommendation and seek Foundation Trustee's approval.
- b) Investments will be made in a secure investment fund such as guaranteed investment certificates (GIC's), Treasury bills (T-bills), Government Bonds with federation, provincial and municipal. Investment in stocks or stock market are deemed to be to risky and not recommended.

### **12) Borrowing**

- a) The Foundation Committee may make a recommendation to borrow funds from a lender to the Division Board of Trustees. The Division's Board of Trustees will have the authority to secure a line of credit or secure lines of debt.

### **13) Act on professional Advice**

- a) The Foundation Committee can seek professional advice subject to funds available to do so. Should no funds be available, the Committee may request funding from the Division's Board of Trustees.

### **14) Legal Proceedings**

- a) The Foundation can seek legal opinions and act, if it so chooses, on the advice or information. Should no funds be available, the Committee may request funding from the Division's Board of Trustees.

### **15) Dissolution**

- a) Upon the dissolution of The Foundation, The Foundation shall render a financial statement to the School Board of the Sunrise School Division, prior to the distribution of the property of the Corporation. The Foundation shall decide upon the distribution of all remaining assets to the operations of the Sunrise School Division. Should the Division amalgamate with another school division the assets will remain in the Sunrise Education Foundation until the Trust is amended by the courts.