



Policy name	Gift Acceptance Policy
Source	Oxfam Canada
Responsibility	Finance & Audit Committee of the Oxfam Canada Board of Directors
Last updated	2021 / 2023
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1. INTRODUCTION

Oxfam Canada is committed to building lasting solutions to poverty and injustice with a focus on women's rights. We welcome gifts by individuals, corporations and foundations that are in support of our mission and enhance our programs. The Fund Development Department is primarily responsible for soliciting, receiving, recording, receipting, acknowledging and recognizing donations from non-government sources to Oxfam Canada. Only the Fund Development Department may issue official charitable gift tax receipts on behalf of Oxfam Canada. It is the responsibility of this Department to ensure that the highest standards of professionalism are followed in developing philanthropic relationships, in soliciting gifts and in working with donors and their advisors.

2. DEFINITION

The Income Tax Act (Canada) encourages taxpayers to support the activities of registered charities and certain other recipients (qualified donees) by allowing gifts to such donees to qualify for special tax treatment. Common law defines a gift as "a voluntary transfer of property owned by a donor to a donee, in return for which no benefit or consideration flows to the donor". Donors to Oxfam Canada may be eligible for a charitable gift receipt that may be claimed as a non-refundable tax credit on an income tax return.

3. GIFT RECEIPTS

The amount declared on a charitable gift receipt is determined by its fair market value on the date the gift is received by Oxfam Canada. If the donor receives any benefit or consideration ("advantage") in return for a gift – beyond the minimum benefit allowed – the charitable gift receipt is reduced by the fair market value of the advantage, which cannot exceed 80% of the value of the property transferred. If the value of the advantage cannot be assessed then no gift receipt may be issued.

The Canada Revenue Agency (CRA) has determined that the following transactions do not qualify for charitable gift receipts: a gift of service, gift certificates from the issuer, the purchase of an item or service from Oxfam Canada, sponsorship of events or projects for which the donor retains right of property, contributions that require advertising a corporate logo, and other quid pro quo sponsorship arrangements.

4. TYPES OF GIFTS ACCEPTED

Cash, credit card or cheque. Oxfam Canada may accept gifts made by cash, credit card, preauthorized checking, payroll deduction or cheque — whether as a one-time gift, pledge payment, annual gift or monthly gift.

Securities and mutual funds

Oxfam Canada may accept gifts of publicly traded securities (stocks, bonds, ETFs, etc.) and mutual funds. These gifts should be made *in specie* to qualify for the maximum tax benefits. The value of the gift receipt will be based on the closing price of the shares on the date they are received in Oxfam Canada's brokerage account. It is the policy of Oxfam Canada that shares will be sold immediately upon receipt into the brokerage account. Donations of private securities will be considered on an individual basis.

Bequests

Oxfam Canada may accept gifts made by will or trusts.

Direct beneficiary designations

Oxfam Canada may accept the residuum of funds held in registered pension funds, RRSP, RRIF, TFSA, brokerage accounts, etc., where Oxfam Canada has been named as a direct beneficiary of the account or where Oxfam Canada is a designated beneficiary of the account specified in a person's last will and testament.

Life insurance

Oxfam Canada will consider accepting charitable gifts of life insurance policies on an individual basis where ownership and beneficial status are conferred by the gift. Due to the unique nature of policies, each will be assessed on its own merits. If accepted, the value of the gift receipt may be based on fair market value determined through an independent appraisal by a qualified actuary. Ongoing premium payments made by the donor to the insurance company are receiptable annually upon confirmation of payment by the insurance company.

Gifts-in-kind

Oxfam Canada will consider accepting gifts-in-kind (non-cash gifts of property) on an individual basis. Gifts of collections, equipment, software, etc., must be pre-approved by the Senior Management Team, Director or Department head before transfer of ownership is contemplated.

Gifts-in-kind of Real Estate will be considered on an individual basis. In most cases the property will be sold and the net proceeds of sale will be applied to the pre-approved purpose for the donation. Value of gift receipts will be determined by an independent, qualified appraiser.

Gifts of residual interest in real estate

Gifts of residual interest in real estate will be considered on an individual basis. This gift plan requires irrevocable transfer of ownership of property and a registered agreement describing the donor's life interest remaining in the property. In general, the value of the gift receipt is based on an actuarial calculation of the donors' life interest(s) deducted from the fair market appraisal of the current and/or future values of the property.

Charitable Remainder Trust (CRT)

Gifts made in the form of Charitable Remainder Trusts will be considered on an individual basis. This gift plan requires an irrevocable transfer of property into a trust by deed of gift and must be pre-approved by Oxfam Canada. If accepted, Oxfam Canada shall be named as the capital beneficiary (i.e. the 'charitable remainder') of the property. Value of the gift receipt is determined by an actuarial calculation of the donors' life interest(s) deducted from a fair market appraisal of the current value of the property by a qualified appraiser. It is normally the donor's responsibility to arrange and pay for the creation of a Charitable Remainder Trust while working with qualified members of the Fund Development Team.

Charitable gift annuity

Oxfam Canada may issue charitable gift annuities by utilizing a third-party insurer to guarantee payments to the annuitant. A charitable gift annuity is an arrangement that enables donors to make an immediate gift and receive tax advantaged income for life for either themselves or a designated beneficiary. In general, the value of the gift receipt is determined by the full amount of the annuity agreement minus the cost of servicing the lifetime income through a commercial annuity contract.

5. PRINCIPLES OF GIFT ACCEPTANCE

The Department of Fund Development will consider the following principles before a gift is accepted. To be considered for acceptance, a gift:

- 1) Must be given with charitable intent;
- 2) Must not compromise the credibility and integrity of Oxfam Canada;
- 3) Must further the charitable mission and purposes of Oxfam Canada;
- 4) Must comply with federal, provincial and municipal laws and the Ontario Human Rights Code, and must not jeopardize Oxfam Canada's status as a registered charity;
- 5) Must not result in unwarranted or unmanageable expense to Oxfam Canada;
- 6) Must not improperly benefit any individual, including the donor, nor require that Oxfam Canada deviate from its normal hiring, promotion and contracting procedures.

In addition, the Department of Fund Development will apply ethical screening to all gifts from corporate entities above \$25,000 following the procedures set out in Appendix A. The final decision to accept or decline any corporate gift rests with the Executive Director. The Executive Director will inform the Board of all offers of a charitable gift that have been declined by Oxfam Canada.

When the Department of Fund Development determines that an offer of a charitable gift does not meet Oxfam Canada's principles of gift acceptance or does not pass Oxfam Canada's ethical screen, the Director of Fund Development will provide a report to the Senior Management Team. The final decision to accept or decline any such gift rests with the Executive Director. The Executive Director will inform the Board of all offers of a charitable gift that have been declined by Oxfam Canada.

6. GIFT ACCEPTANCE AUTHORIZATION PROCESS

- Gifts under \$100,000 are approved by the Director, Fund Development;
- Gifts over \$100,000 but under \$1 million dollars are approved by the Executive Director;
- Gifts over \$1,000,000 are approved by the Board of Directors.

The Director, Fund Development is required to report to the Board of Directors all gifts over \$100,000 that have been made to Oxfam Canada, including anonymous gifts (donor ID not revealed).

7. GIFT DESIGNATION

Oxfam Canada will always encourage donors to contribute to General Support first. A case for support for unrestricted gifts will provide fundraising staff with a sample script which describes Oxfam's work and encourages support to our general aims and objectives without precluding or discouraging donors who wish to designate their gift to a specific initiative.

The purpose of gift designation is to provide donors some discretion in the use of their donation in line with Oxfam Canada's present or future programs. While Oxfam Canada wishes to provide donors some discretion in the use of their donation.

The following elements will be considered when accepting designated gifts:

- Donors have the discretion to designate that their gift be used to support a specific program or thematic area that is in alignment with Oxfam Canada's strategic framework and operational plans. Oxfam Canada will not accept designated gifts for an area or purpose that is not in line with its strategic framework and operational plans.
- Oxfam Canada does not set a minimum amount for designated gifts.
- Designated gifts for areas where Oxfam Canada would be required to initiate a new initiative will be assessed on a case-by-case basis. Oxfam Canada will only accept these exceptional designated

gifts where the donor makes a sizeable on-going commitment (greater than \$40,000 per year for three years).

- Fifteen (15) per cent of all designated gifts will be applied to operational overhead, with the exception of disaster relief where ten (10) per cent will be allocated to operational overhead.
- In the event that Oxfam Canada is unable to use designated gifts within two years for their intended purpose, Oxfam Canada will redirect the funds to a similar initiative (Sunset Clause).

Sunset clause for designated gifts:

- Oxfam Canada will include a declaration in our print materials and on our web site that when an initiative is complete or the funds are no longer required, any balance remaining from a designated gift will be applied to a related purpose (for example, funds designated for a specific humanitarian emergency may be redirected to OCA's Emergency Response Fund). The declaration will specifically state that designated gifts that cannot be spent within two years of receipt will be reallocated to a related purpose.
- To facilitate the efficient application of the sunset clause in the case of humanitarian emergencies, the Oxfam Canada Emergency Response Team will set a cutoff date for accepting disaster relief funds in the context of each humanitarian appeal. Any additional funds raised past this date will be directed to Oxfam Canada's Emergency Response Fund rather than designated for the specific appeal. This will be clearly articulated on all communications related to Oxfam Canada humanitarian appeals.

8. RESPONSABILITY TO DONORS

Oxfam Canada holds all donors in high esteem. Oxfam Canada's donor relationships are of utmost priority. The Department of Fund Development helps donors and their advisors to designate gifts that meet each donor's philanthropic and financial objectives within the context of Oxfam Canada's needs and priorities. Oxfam Canada has an ethical responsibility to every donor. All staff, volunteers and professional representatives acting on behalf of Oxfam Canada will conduct themselves in accordance with accepted professional standards of accuracy, truth and integrity. At all times, advisors working with donors or prospective donors to Oxfam Canada will keep all information, data, or other communications strictly confidential. The professional standards and code of behaviours set out by the Association of Fundraising Professionals (AFP) and the Canadian Association of Gift Planners (CAGP) will serve as the ethical guidelines when raising funds for Oxfam Canada.

9. USE OF LEGAL COUNSEL

OCA encourages donors to seek the advice of independent legal and tax counsel if the proposed gift is a Planned Gift and/or if OCA has any reason to believe the proposed gift might significantly affect the donor's financial position, taxable income, or relationship with other family members.

Appendix A

Ethical Screening Guidelines for Corporate Gifts

Purpose

The purpose of these guidelines is to enable valuable private sector financial and in-kind support for Oxfam's work, while rigorously assessing and managing risk. Oxfam Canada's policy is to accept corporate donations, unless doing so would: 1) compromise Oxfam's independence or 2) cause actual or perceived significant risk to reputation or public image. Oxfam Canada will not accept financial support from sectors antithetical to Oxfam's mission, defined as Prohibited Sectors.

Oxfam Canada applies this ethical screen to all corporate gifts above \$25,000, whether from (1) Canadian or non-Canada based companies to Oxfam Canada, or from 2) Canadians companies to any Oxfam affiliate, country or regional office or to Oxfam International.

The Department of Fund Development is responsible for conducting this ethical screening process, and for informing the Executive Director of the outcomes.

Definitions

- **Corporate donation:** includes 1) financial contributions to Oxfam; 2) tax reportable in-kind contributions (pro-bono or reduced cost vendor agreements, gifts-in-kind); 3) partnerships that result in financial benefit to Oxfam; and 4) cause-related marketing and co-branding opportunities that result in financial and/or non-financial gain to Oxfam.
- **Corporation:** includes the whole corporate structure, including the parent company, holding company, subsidiaries, affiliates and sister companies. Also includes corporate foundations if 1) the foundation receives over 50% of funds from the company; or 2) there is a high degree of public association of brands.
- **Campaign target:** a company whose policies and practices Oxfam has mobilized supporters (including consumers and investors) to take action against in the last 12 months or any company that we are actively planning to campaign against in the next 6 months. If OCA has committed to ensuring a company follows through on their commitments as a result of an OCA campaign, the company is considered a campaign target through the timeline of the commitment (which should be time bound). This does not include private lobbying or referencing a company in the body of a policy report for the media. It also does not include companies criticized by a network or coalition of which Oxfam is a part.
- **Prohibited sectors:** sectors and companies whose core business (more than 5% of the holding company's turnover) substantially undermines Oxfam's mission. These sectors include arms and manufacturing, nuclear power, tobacco, pornography and the extractives industry (oil, gas, and mining), and companies and parent companies with direct operations in Israeli settlements.
- **High Risk:** In addition, OCA assesses the following sectors to be high risk: Pharmaceuticals; infant formula manufacturers and marketers; pesticide manufacturers and marketers outside FAO guidelines, along with the large multi-national corporations (MNCs) in the sectors Oxfam is actively influencing.

Ethical Screening Committee (ESC)

The role of the ESC is to assess opportunities and risks and to make decisions on whether to proceed with a particular corporate fundraising opportunity.

The Ethical Screening Committee consists of the following individuals or their designees:

1. Director, Policy and Campaigns
2. Director, Fund Development
3. Manager, Communications

4. Manager, Philanthropy

The different roles of the Committee members are outlined below:

Unit	Primary Role	Accountable
Policy and Campaigns	To provide information to the Committee on the risks and opportunities posed to <ul style="list-style-type: none">• Oxfam's current campaigning priorities and advocacy work;• Oxfam's influence within the sector and with allies and partners;• Oxfam's priorities (program and influencing)	Director, Policy and Campaigns
Communications	To provide information on reputational risk and opportunity to Oxfam's brand.	Manager, Communications
Fundraising	To coordinate the Ethical Screening Committee <ul style="list-style-type: none">• Organize meetings and agenda as screenings are required• Provide information on the reputational risk with the donor and risk to Oxfam revenue in relation to the funding opportunity.	Director, Fundraising Manager, Philanthropy

As appropriate, and when agreed by the ESC, they can invite other internal stakeholders to participate in particular discussions in an advisory (but not decision-making) capacity.

Decisions will be made considering all competing priorities and from a full Oxfam perspective. Decisions should be informed by the ethical screen (negative and positive screening criteria listed below) and the risk and opportunity assessment.

Decisions the Ethical Screening Committee can make:

- ✓ Proceed
- ✓ Proceed with recommendations
- ✓ Proceed with conditions (specified and agreed by the ESC)
- ? Needs to be resubmitted with further information
- X Do not Proceed

Where there is lack of agreement within the Ethical Screening Committee, the decision will be referred to the Senior Management Team for additional analysis prior to making a final decision. The final decision to accept or decline any corporate gift rests with the Executive Director. The Executive Director will inform the Board of all offers of a charitable gift that have been declined by Oxfam Canada.

All decisions will be recorded in Salesforce to ensure OCA remains as consistent as possible. In addition, the Fund Development Department will produce an annual report of all corporate gifts accepted and/or declined, to be reviewed by the Senior Management Team and the Finance and Audit Committee.

Ethical Screening Process

The ethical screening process is the responsibility of the Ethical Screening Committee. This process consists of an ethical screening based on both negative and positive screening criteria, and a risk/opportunity assessment on the basis of a company's reputational risk (both general and in connection to any reported controversies) and risk to independence of Oxfam's influencing work.

Negative screening:

Oxfam Canada will screen for companies that are involved in negative or unacceptable practices. The negative screening requires that a company must demonstrate that it does not:

- Have a record of systematic human rights violations or contribute to repressive governmental practices in Canada or overseas;
- Have a record of discriminating against women, opposing gender justice or undermining gender equality by promoting sexist or homophobic practices, attitudes or behaviours;
- Have a record of failure to abide by national and local environmental regulation;
- Produce or offer products or services that in normal use are unsafe such as tobacco, tobacco-related products, alcohol, gambling, pornography and adult entertainment; or predatory lending;
- Violate fair labour practices as established by Canadian Labour Standards (in Canada) and International Labour Organization (internationally);
- Involved in the extractive industries including fossil fuels and mining;
- Involved in the nuclear power utilities plant technology; or
- Manufacture weapons, provide services to the military, or be involved directly or indirectly in the arms industry.

Positive screening:

The positive screening considers a company's demonstrated ability to comply with one or more of the following criteria in its Canadian and international operations. A positive activity does not counter a negative screening. Therefore, if a donor is involved in any of the negative practices above as well as any of the positive activities below, both activities must be assessed separately

- Policies and practices that promote gender justice and respect for equity and diversity;
- Goods or services that contribute to basic human needs including health and safety;
- Superior performance in the protection of basic human rights, the observance of labour rights and the hiring, training and promotion of women and minorities; or
- Innovation with respect to products that protect or enhance the environment, and/or evidence of superior performance relative to waste utilization and pollution control

Risk/opportunity assessment:

The ESC should consider the following questions:

- What is the value of the opportunity to Oxfam?
- What will the level of public association be?
- What are the risks? Specifically:
 - does this engagement have the potential to compromise Oxfam's independence, including its ability to publicly criticize the company?
 - will Oxfam's association with this company on this opportunity cause actual or perceived risk to Oxfam's reputation or public image?
- Can the risks be mitigated?
- What will be lost if we don't pursue this opportunity?
- Is there an opportunity to have a dialogue with the company to positively influence them on any of the issues raised in the ethical screen?

Humanitarian Imperative

In alignment with the Oxfam Confederation, Oxfam Canada applies different ethical screening guidelines when an offer of a charitable gift is made to support Oxfam's response to a rapid onset emergency¹. Regular guidelines apply except in the 3 weeks following the launch of a humanitarian fundraising appeal. During the 3-week period, Oxfam Canada can:

- Accept spontaneous corporate donations without applying an ethical screen, unless it is in a Prohibited Sector.
- Proactively approach any company, unless it is in a Prohibited Sector, High Risk Sector or Campaign Target.
- In the case of a Prohibited or High-Risk sector regardless of the amount, the Ethical Screening Committee shall advise the Executive Director on whether or not to accept the gift. The final decision to accept or decline any such gift rests with the Executive Director. The Executive Director will inform the Board of all offers of a charitable gift that have been declined by Oxfam Canada

¹ Slow onset emergency criteria: early warning information available in advance, indicators and early warning data are available to trigger a response (such as conflict and drought contexts). Rapid onset emergency criteria: little or no warning (i.e. earthquakes) or some early warning information in advance (i.e. cyclones, floods).