



# ECOJUSTICE’S FUNDRAISING & GIFT ACCEPTANCE POLICY

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## **I. BACKGROUND**

Ecojustice Canada Society (“Ecojustice”) is proud to be accredited by the Imagine Canada Standards Program and as such, adheres to its high standards in five fundamental areas: board governance; financial accountability and transparency; fundraising; staff management; and volunteer involvement.

Ecojustice solicits and receives gifts from a variety of different sources. This policy affirms that Ecojustice will at all times strive to conduct our fundraising with integrity and in a manner that is consistent with our values (which include embedding justice, equity, diversity and inclusion, and reconciliation in our operations and practices); and in a manner that is consistent with our professional standards. That commitment includes ensuring that before accepting a first-time gift from major donors and corporations, we first determine that Ecojustice has no information, knowledge or other cause for concern regarding incompatibility of the donor’s activities with Ecojustice’s values and mission. In addition, the growing complexity of charitable giving and applicable legislation requires that Ecojustice works within strict guidelines with respect to the receipt of gifts to ensure that all legal requirements are met and risks to Ecojustice and the donor are minimized. This policy will be evaluated every three years to ensure that it is up-to-date, consistent with Ecojustice’s mission and effectively meets the needs of the organization.

If you have any questions about our fundraising and gift acceptance policy, please contact donor relations at 1-800-926-7744, ext. 295 or email [donor@ecojustice.ca](mailto:donor@ecojustice.ca).

## **II. GIFTS ECOJUSTICE CANNOT ACCEPT**

Ecojustice will not accept a donation, contribution or sponsorship:

- A. Where the donor is an opposing party to a legal claim which Ecojustice is investigating or where Ecojustice is retained, or reasonably likely to investigate or be retained;
- B. Where the donor is engaged in activities that conflict with Ecojustice’s mission to use the law to protect and restore the environment; or,
- C. Where the donation is given on the condition that the donor will influence Ecojustice’s strategic choices.

- D. Where the donor represents any industry or endeavour where there are reasonable grounds to believe that the industry or endeavour violates, or intends to violate, Indigenous Peoples' rights, including Free, Prior, and Informed Consent<sup>1</sup>;
- E. Where the donor is a major antagonist to the recognition of Indigenous Peoples' rights, including rights to Free, Prior and Informed Consent.

### III. GIFTS ECOJUSTICE CAN ACCEPT

Ecojustice encourages donors to make outright gifts and is prepared to receive deferred gifts. Outright gifts are those where title transfers at the time of the gift, while the title of deferred gifts does not pass until a specified date or until a certain condition has occurred, such as death of the donor. Ecojustice may also accept gifts-in-kind subject to certain conditions.

This policy document contains guidelines (Section IV) on the acceptance of the following types of gifts either through inter vivos (gifts made during one's lifetime) or testamentary gifts (gifts made upon death):

#### A. Inter vivos gifts

1. monetary gifts
2. real estate
3. publicly traded securities
4. shares in publicly-owned companies that are not publicly traded
5. shares in privately-owned companies and other businesses
6. interest-bearing loans
7. interest-free loans
8. debentures
9. strip bonds
10. gifts of art
11. other gifts-in-kind

#### B. Testamentary Gifts

1. bequests
2. gift annuities
3. charitable remainder trusts
4. gifts of residual interest

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<sup>1</sup> As per the [United Nations Declaration on the Rights of Indigenous Peoples](#)



5. life insurance policies and their proceeds
6. RRSP and RRIF proceeds

#### C. Corporate Gifts

1. financial support
  - donations
  - cash sponsorships
  - corporate matching gifts
  - funds raised from proceeds of sales
  - volunteer grants
  - corporate in memoriam donations and employee giving
2. gift-in-kind (GIK) support (a gift of goods or services)
3. employee volunteerism

#### D. Funds raised by Third Party Events

### IV. FUNDRAISING PRACTICES

All fundraising practices conducted by or on behalf of Ecojustice shall:

- ensure that all solicitation and communication materials are accurate and correctly reflect Ecojustice's mission and use of solicited funds;
- ensure that donors receive informed, accurate and ethical information about the value and tax implications of contributions;
- ensure proper stewardship of all revenue sources, including timely and accurate reports on the use and management of funds;
- provide tax receipts in accordance with the Income Tax Act in a timely manner;
- disclose upon request whether the individual or entity seeking donations is a volunteer, employee or contracted third party
- disclose Ecojustice's name and the purpose for which funds are requested;
- ensure that acceptable contributions are used in accordance with donors' intentions
- conduct all interactions with donors in a manner that is truthful, ethical and respectful;
- respect donors' wishes to remain anonymous;
- honour donors' and prospective donors' requests to limit the frequency of contact, not be contacted by telephone or other technology, receive or not receive printed material concerning Ecojustice, and discontinue contact;
- not exploit any relationship with a donor, prospect, volunteer, client or employee for the benefit of Ecojustice or any individual employee;
- adhere to Ecojustice's Privacy and Protection of Information Policy;
- comply with all applicable laws; and



- not engage in activities that harm Ecojustice, our clients or the fundraising profession or knowingly bring Ecojustice into disrepute.

Ecojustice does not directly or indirectly pay finder's fees, commissions or percentage compensation based on contributions.

## V. POLICIES

The Ecojustice Board has approved the following policies. All policies are reviewed by the Ecojustice Board every three years for relevance and appropriateness.

- i) This policy has been established to inform, serve, guide or otherwise assist donors who wish to support Ecojustice's activities. It shall never be used under any circumstances to pressure or unduly persuade donors.
- ii) Ecojustice will encourage every donor to discuss a proposed gift with his or her independent legal and/or tax advisors.
- ii) If a donor does not have independent counsel and asks for a referral, Ecojustice will provide the donor with a letter that lists at least two possible advisors. Ecojustice cannot have any influence on the donor's choice of advisor.
- iii) The Director of Philanthropy has been authorized by the Ecojustice Board to negotiate and execute gift agreements with prospective donors, following the guidelines approved by the Board.
- iv) The Director of Philanthropy and the Executive Director will consult with the Finance Committee and the chair of the Board before accepting gifts that fall into the following categories: gifts of real estate, shares in publicly-owned companies that are not publicly-traded, shares in privately-owned companies (that are not publicly-traded); partnership interests, interest-bearing and interest-free loans, gifts of residual interest in real property and other property interests not readily negotiable or valued, gifts of debentures.

Before accepting the gift, Ecojustice may have its legal counsel review the legal issues related to the proposed gift, and Ecojustice will collect relevant information about the proposed gift, including a copy of any appraisal secured by the donor. Ecojustice reserves the right to secure and rely on its own appraisal.



- v) Charitable remainder trusts and gifts of residual interest in property other than real property may, on a case-by-case basis at the discretion of the Director of Philanthropy, be brought to the Board for acceptance and may be reviewed by legal counsel.
- vi) Outright gifts of cash, publicly traded securities, life insurance, and gift annuities, do not need to be brought to the Board for acceptance or to be reviewed by Ecojustice's legal counsel.

Any gift with potentially unacceptable restrictions may be referred to the Ecojustice Board and/or to Ecojustice's legal counsel.

- vii) Donors are responsible for all costs related to the valuation of property and the cost of their own legal or financial counsel.
- viii) All gifts will be received in strict compliance with the provisions of the Income Tax Act and with the regulations and rules as issued from time to time by the Canada Revenue Agency (CRA).
- ix) Although Ecojustice prefers to receive gifts that are unrestricted as to their use in order to meet organizational priorities, donors may put general directions on the use of their gift, so long as the donor's directions are acceptable to Ecojustice.

Ecojustice has established the following guidelines to ensure that gifts Ecojustice accepts are cost-effective and meet the requirements of registered charities in accordance with the Income Tax Act.

## **VI. GUIDELINES FOR SPECIFIC TYPES OF GIVING**

Ecojustice may accept gifts made during a person's lifetime (inter vivos gifts) or gifts made upon a person's death (testamentary gifts or bequests). Ecojustice encourages donors to seek independent advice if the proposed gift is a Planned Gift and/or the organization has any reason to believe the proposed gift might significantly affect the donor's financial position, taxable income, or relationship with other family members. Gift pledges may be made and payments may be made through authorized bank withdrawals or in the case of employees of Ecojustice by authorized payroll deduction.

### **A. INTER VIVOS GIFTS**

#### **I. Monetary Gifts**



A voluntary transfer of cash can be made from individuals, foundations and other sources to Ecojustice for the operation of its charitable purposes. Gifts are made without expectation of any advantage to the donor or to anyone designated by the donor may result from the payment. Monetary gifts may be transferred to Ecojustice in cash, or by cheque, credit card, direct debit or via Paypal. Donations can also be made via Canada Helps, Chimp and other third party fundraising platforms.

In accordance with the Income Tax Act and CRA Guidelines, Ecojustice will issue a tax receipt to any individual who donates a minimum of \$5 and provides their complete name and mailing address. Ecojustice aims to provide tax receipts within 30 days of completion of the transaction. Individual donations of under \$5 will be receipted upon request. Donors who make a monthly donation to Ecojustice will receive one consolidated annual tax receipt before the end of February each year. Donors may request that Ecojustice re-issues a tax receipt at any time throughout the year by contacting donor relations at 1-800-926-7744, ext. 295 or email [donor@ecojustice.ca](mailto:donor@ecojustice.ca).

## **II. Gifts of Real Estate**

### **Description**

Before making a gift of real estate, Ecojustice encourages donors to consider repatriating the land to Indigenous communities. Should the donor proceed with making a gift of real estate to Ecojustice without consulting local Indigenous communities, Ecojustice will make reasonable efforts to repatriate the land to local Indigenous communities prior to selling the property. Donors may make a gift of real estate in various ways: outright, residual interest in the property, or to fund a charitable remainder trust. The following guidelines pertain to gifts of real estate in general. Where real estate is transferred to a charitable remainder trust, additional requirements of the trust must be met.

### **Guidelines**

- i) The donor will secure a written appraisal from a qualified, independent appraiser, at the donor's expense. Unless Ecojustice has reason to believe the appraisal does not reflect the property's true and current value, it will issue a gift receipt for the appraised value (or calculated present value of the residual interest computed on the appraised value in the case of residual interest gifts). However, Ecojustice has the right to secure its own appraisal and issue a gift receipt based on that appraisal.
- ii) Ecojustice will determine if the donor has clear title to the property.



- iii) Ecojustice will review other factors, including zoning restrictions, marketability, ecological sensitivity, current use and cash flow, to determine whether it would be in Ecojustice's best interest to accept the gift.
- iv) Ecojustice will review the environmental status of the property and may require an environmental assessment, which could include an environmental audit. Ecojustice will accept the property only if (a) it contains no toxic substances or (b) toxic substances are removed or other remedies are taken prior to the title transfer, to ensure that Ecojustice does not assume any liability when it accepts the gift.
- v) A deed of gift that specifies the terms of the gift will be prepared at the donor's expense and may be reviewed by Ecojustice's legal counsel before the gift is accepted. Ecojustice will not execute the agreement until the donor and his or her legal advisor have determined that the trust document is in the proper form and that the gift itself is appropriate for the donor's situation.
- vi) In general, the donor will be responsible for all costs associated with assessing, evaluation and transferring the property to Ecojustice.

### **III. Publicly Traded Securities**

#### **Description**

Publicly traded securities are shares, debt obligations or rights listed on one of the major prescribed stock exchanges (i.e., TSX, NYSE, NASDAQ). They also include mutual fund shares or units and units in a segregated fund trust. Additionally, these provisions apply to employee stock options and flow-through shares.

Acceptance will depend on a review of the security's liquidity. The securities will be receipted at the average of the high and low market values on the day received. The donor is responsible for instructing their broker or investment advisor to initiate the transfer to Ecojustice's agent. The date of receipt for securities transferred electronically is the date that they are received in Ecojustice's account. The date of receipt for securities in certificate form is the date that the share certificate and transferring power of attorney are hand-delivered by the donor to Ecojustice office or, if mailed, the date that these documents are post-marked.

### **IV. Gifts of Shares in Publicly –Owned Companies that are NOT Publicly-Traded**

#### **Description**

*Fundraising & Gift Acceptance Policy – Approved by Ecojustice's Board of Directors (Philanthropy Committee) September 2022*





Donors may make gifts of publicly-owned shares that are not publicly-traded. Ecojustice may accept these gifts so long as it assumes no known or contingent liability in receiving them and as long as it is anticipated that there will be a market for the shares at some time in the future.

### **Guidelines**

- i) A gift of shares in a publicly-owned company where the shares are not publicly-traded should be for at least \$10,000. Satisfactory evidence of the value of the shares must be provided at the donor's expense before a receipt is issued.
- ii) A deed of gift that specifies the terms of the gift and responsibilities for expenses will be prepared at the donor's expense and may be reviewed by Ecojustice's legal counsel before the gift is accepted. Ecojustice will not execute the agreement until the donor and his or her legal advisor have determined that the deed of gift is in the proper form and that the gift itself is appropriate for the donor's situation.

## **V. Gifts of Shares in Privately-Owned Companies and Other Business Interests**

### **Description**

Donors may make gifts of privately-owned shares and partnership interests. Ecojustice may accept these gifts so long as it assumes no known or contingent liability in receiving them and as long as there is a plan to have the shares purchased or redeemed at an identified point in the future.

### **Guidelines**

- i) A gift of shares in a privately held company should be for at least \$100,000. Satisfactory evidence of the value of the shares must be provided at the donor's expense before a receipt is issued.
- ii) Ecojustice will consider gifts of partnership interests so long as they do not subject Ecojustice to cash calls or other liability and will not have adverse tax consequences to Ecojustice.
- iii) A deed of gift that specifies the terms of the gift and responsibilities for expenses will be prepared at the donor's expense and may be reviewed by Ecojustice's legal counsel before the gift is accepted. Ecojustice will not execute the agreement until the donor and his or



her legal advisor have determined that the deed of gift is in the proper form and that the gift itself is appropriate for the donor's situation.

## **VI. Interest-Bearing Loans**

### **Description**

Interest-bearing loans may be made to Ecojustice by supporters who would like to make a significant contribution, but do not wish to make an irrevocable gift. The loan is not a donation, and no tax receipt is issued. The lender benefits by supporting Ecojustice and retaining ownership of the loaned asset. Ecojustice benefits from the use of the capital for the duration of the loan. Interest earned on the loan is generally taxable in the hands of the lender (unless the lender is a non-taxable entity). The lender may choose to forgive all or part of the interest on the loan and will be issued a tax receipt for the forgiven interest.

### **Guidelines**

- i) An interest-bearing loan should be for at least \$100,000.
- ii) Where there is no fixed term, the lender may call the loan on 60 days' notice.

## **VII. Interest-Free Loans**

### **Description**

Interest-free loans may be made to Ecojustice by supporters who would like to make a significant contribution, but do not wish to make an irrevocable gift. The loan is not a donation, and no tax receipt is issued. The lender benefits by supporting Ecojustice, lowering his/her taxable income because he/she is not receiving the income, and retaining ownership of the loaned asset. Ecojustice benefits from the use of the annual income for the duration of the loan.

### **Guidelines**

- i) An interest-free loan should be for at least \$100,000.
- ii) Ecojustice will hold the principal of the loan in a restricted fund and use income for current needs. The restricted fund will not be subject to Ecojustice's preservation of capital policy.



- iii) Where there is no fixed term, the lender may call the loan on 30 days' notice.
- iv) Interest-free loans will not exceed more than 20 percent of assets under Ecojustice's administration. Ecojustice will ensure that it always has enough liquid assets to fund all liabilities related to interest-free loans.

## **VIII. Gifts of Debentures**

### **Description**

Donors who are principal stockholders of private corporations may donate debentures or corporate bonds. Debentures are issued by the corporation and documented by an indenture.

### **Guidelines**

- i) A gift of a debenture should be for at least \$100,000.
- ii) Ecojustice will consider gifts of debentures only if they are issued by corporations that are solvent and have enough capital reserves or assets to honour the debt.
- iii) Ecojustice will issue a gift receipt for the debenture's fair market value on the day Ecojustice accepts it.
- iv) A deed of gift that specifies the terms of the gift and responsibilities for expenses will be prepared at the donor's expense and may be reviewed by Ecojustice's legal counsel before the gift is accepted. Ecojustice will not execute the agreement until the donor and his or her legal advisor have determined that the deed of gift is in the proper form and that the gift itself is appropriate for the donor's situation.
- v) Exceptions to the above Gifts of Debentures Guidelines may be made by Ecojustice in the case of proposed gifts of debentures from an estate, so long as Ecojustice assumes no known or contingent liability in receiving them and as long as it is anticipated that there will be a market for the debentures at some time in the future.

## **IX. Strip Bonds**

### **Description**



Strip or zero-coupon bonds are quality debt instruments that have a guaranteed future value. Strip bonds are issued by government and blue-chip corporations and sold by investment dealers.

Donors may use strip bonds to make an irrevocable gift to Ecojustice with a future value that greatly exceeds the original amount committed. Strip bonds are often presented to donors as a leveraged gifting instrument that is an alternative to life insurance.

### **Guidelines**

- i) A deed of gift that specifies the terms of the gift will be prepared at the donor's expense and may be reviewed by Ecojustice's legal counsel before the gift is accepted. Ecojustice will not execute the agreement until the donor and his or her legal advisor have determined that the trust document is in the proper form and that the gift itself is appropriate for the donor's situation.
- ii) The deed of gift must ensure that Ecojustice retains the right to sell the bond before the maturity date.
- iii) Ecojustice will issue a gift receipt for the fair market value of the bond at the time of the gift. Donors will be recognised at the receipted or present value of the gift, not the face or maturity value.

## **X. Gifts of Art**

### **Description**

Art may be any two or three dimensional creation which is requested by or offered to Ecojustice for use to enhance it.

### **Guidelines**

- i) If the donor is an artist, and is donating one of his or her works from inventory, a tax receipt can be issued for the value of the art. The value of the art can be the Fair Market Value (FMV) or it can be a value designated by the artist/donor as long as it is not less than the gift's cost amount (which the donor can elect to be zero) and not more than the art's FMV. If the FMV is less than the cost at the time the gift is donated, the FMV must be used. The artist/donor must include this amount in his/her income for the year in which the gift was made. (Determination of FMV is described below in Section XI "Other Gifts in Kind", Guidelines iii, iv, v and vi.)

- ii) If a donor of art is not the artist who created the art but does hold it as inventory, a receipt can be issued for the FMV and the amount must be included in the donor's income for the year in which the gift was made.
- iii) If the donor of art owns the art and holds it as capital or for personal use, a receipt will be issued for the FMV, except for the following circumstances:
  - if the art was acquired within the past 3 years; or
  - if the art was acquired at any time in the past with an intention to gift it; or
  - if the art was acquired as part of a gifting arrangement (as defined in section 237.1 of the Income Tax Act).
- iv) In such circumstances, a receipt can be issued for the LOWER of:
  - the art's lowest actual cost to the donor (or to a party related to the donor) and
  - the art's FMV minus the amount of benefit, if any, that the donor receives from making the gift.
- v) The above rule with respect to art donated by a person who holds it as capital or for personal use does not apply to gifts of art made as a consequence of the donor's death, except where the donor acquired the property as part of a gifting arrangement, as defined in section 237.1 of the Income Tax Act.
- vi) In general, Ecojustice shall not accept gifts of art in bulk.
- vii) Ecojustice will be responsible for the maintenance and security of the artwork.

## **XI. Other Gifts in Kind**

### **Description**

A gift in kind refers to property other than cash such as capital property (including depreciable property) and personal-use property (including listed personal property<sup>2</sup>). It does not include a gift of services.

### **Guidelines**

- i) Subject to the guidelines above regarding specific gifts in kind, Ecojustice may accept other donations in kind. Donated goods shall provide some benefit to or be of specific use to Ecojustice. If a gift in kind is not deemed useful by Ecojustice, but can be sold quickly by

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<sup>2</sup> **Personal use property** refers to personal property which generally increases in value and includes such items as coins, stamps, a rare folio, manuscript or book, jewellery, a print, etching, drawing, painting or sculpture.



Ecojustice with the realized proceeds directed to Ecojustice's uses, the gift in kind may be accepted. When determining the suitability of a gift in kind, consideration may be given to the following additional factors:

- Perceived enhancement of Ecojustice's environment;
  - Future operating costs, including maintenance and repairs;
  - Availability and/or costs associated with storage and transportation.
- ii) Property of little or nominal value does not qualify as a gift in kind under the policies of CRA. Examples of such items may include household furniture, used computers, books or journals or hobby crafts.
- iii) Once Ecojustice has agreed to accept a gift in kind, the fair market value (FMV) of the gift must be determined as of the date of the donation. The FMV refers to the highest price (in dollars) that the property would bring in an open and unrestricted market transaction between a willing buyer and seller. Both buyer and seller must be knowledgeable, and informed, acting independently of one another. FMV does not include any amounts paid or payable to other parties, such as commissions to sales agents or sales taxes like GST or provincial sales taxes.
- iv) When the value of the gift is less than \$1,000, a knowledgeable and qualified independent individual or staff member of Ecojustice may provide a written appraisal.
- v) When the value of the gift exceeds \$1,000, the donor is required to obtain an independent written appraisal, provided by a qualified appraiser not associated with either the donor or Ecojustice, at the donor's expense.
- vi) In the event that it is difficult to find an independent appraiser, or if that would involve unwarranted expense, valuation of a gift exceeding \$1,000 may be made by a staff member – provided that the staff member is knowledgeable in the field and is qualified to appraise the gift at its fair market value.
- vii) Gift certificates for property (not services) may be accepted if they meet the criteria described above. If the donor is the business from which the gift certificate is being issued, a tax receipt cannot be provided.

viii) While a tax receipt cannot be issued for services received, a cheque exchange may be approved by Ecojustice's Executive Director. This occurs when Ecojustice pays an individual for services rendered and later accepts the voluntary return of all, or part of, the payment as a donation. In this situation, Ecojustice can issue an official receipt for the amount donated, but the donor has to declare the amount paid by Ecojustice for the services as income when filing an income tax return.

ix) A receipt for a gift in kind will be issued by Ecojustice outlining:

- the date the gift was received
- a brief description of the property including, in the case of securities, the name of the security, the number of shares, and the per share value
- the name and address of the appraiser of the property
- the fair market value of the property on the donation date
- the name and address of the donor.

x) Gifts of significant value will be recorded as assets on Ecojustice's books. Appraisals as at the date of donation shall be kept on file.

## B. TESTAMENTARY GIFTS

Acceptance criteria for testamentary gifts shall typically be the same as for inter vivos gifts. The following describes general procedures for accepting testamentary gifts.

### I. Bequests

#### Description

Bequests are gifts made by will.

#### Guidelines

i) Sample bequest language for restricted and unrestricted gifts, including endowments, will be given to donors and their lawyers to ensure that the bequest is properly worded. Donors will be encouraged to consult with the Director of Philanthropy or his/her designate to ensure their bequest intentions can be honoured. Donors will also be invited to provide information about their bequest provision and, if they are willing, to send a copy of the section of their will that names Ecojustice as a beneficiary.



- ii) The Director of Philanthropy or his/her designate will represent Ecojustice in all dealings with estate lawyers and executors during the probate of an estate containing a bequest to Ecojustice and during the post-death administration of trusts containing provisions benefiting Ecojustice.
- iii) If the Director of Philanthropy becomes aware that an estate is contested or a claim is made against the estate, the Director of Philanthropy will provide the particulars of the estate, the claim and the decision(s) required from Ecojustice, if any, to the Executive Director. When a claim is made against an estate, staff will consult with Ecojustice's legal counsel if necessary.

## **II. Gift Annuities**

### **Description**

A gift annuity is an arrangement where a donor makes a contribution to Ecojustice and receives a guaranteed income for life or for a specified period of time. Ecojustice may accept Gift Plus Annuities whereby the donor buys a commercial prescribed annuity that will pay an amount specified by the donor and uses the excess funds to make a contribution to Ecojustice.

The donor determines the amount that he or she would like to contribute to the annuity plan. Then, the donor buys a commercial annuity that will pay the amount specified by him or her and uses the excess funds to make a contribution to Ecojustice.

Although the donation and the purchase of the commercial annuity are separate transactions, considering them at the same time allows the donor to make an informed decision regarding the size of the donation they are able to make while still obtaining the income level they wish to have.

### **Guidelines**

- i) The total amount contributed under a gift plus annuity arrangement shall be at least \$13,000.
- ii) The donor may choose a commercial insurance company or broker to provide rate quotations for the commercial annuity, or in consultation with the donor, the Director of Philanthropy may obtain and provide to the donor rate quotations from qualified insurance companies or brokers.

## **III. Charitable Remainder Trusts**





## **Description**

A charitable remainder trust is a form of a residual interest gift. The donor transfers property to a trustee who holds and manages it. If the property is income producing, the net income will be paid to the donor and/or his or her named beneficiary. When the trust terminates (either when the beneficiaries die or after a term of years), the remaining portion of the trust is distributed to Ecojustice. If the trust is irrevocable and the beneficiary has no power to encroach on capital, the donor is entitled to a gift receipt at the time of the establishment of the trust for the calculated present value of the residual interest permitted by law.

## **Guidelines**

- i) A charitable remainder trust may be funded with cash, securities or real estate. Any real estate to be contributed will be subject to a thorough review, as described in the guidelines for gifts of real estate (see A.1 above).
- ii) The trust should be established with at least \$50,000, and the donor should be at least 65 years of age. Satisfactory evidence of the value of Ecojustice's interest in the trust must be provided to Ecojustice at the donor's expense before a receipt is issued. In some cases, Ecojustice may wish to acquire its own appraisal.
- iii) A trust document will be prepared at the donor's expense and may be reviewed by Ecojustice's legal counsel before the gift is accepted. Ecojustice will not execute the agreement until the donor and his or her legal advisor have determined that the trust document is in the proper form and that the gift itself is appropriate for the donor's situation.
- iv) Ecojustice will generally not serve as trustee for a charitable remainder trust. It may, however refer the donor to at least two trust institutions or external trustees who may provide this service.

## **IV. Gifts of Residual Interest**

### **Description**

A gift of residual interest refers to an arrangement where property is deeded to Ecojustice, but the donor retains use of it for life or for a term of years. For example, the donor might give Ecojustice a residual interest in a principal residence and continue living there, or a residual interest in family jewels and retain possession of them. Any real estate to be contributed will be subject to a thorough review, as described in the guidelines for gifts of real estate (see A.1



above). The donor is entitled to a gift receipt from Ecojustice at the time of establishing the residual gift for the calculated present value of the residual interest permitted by law.

### **Guidelines**

- i) The donor will continue to be responsible for real estate taxes, insurance, utilities and maintenance after transferring title to the property unless Ecojustice, upon prior approval of the Board, agrees to assume responsibility for all or part of them. A deed of gift will specify the terms of the gift and responsibilities for expenses.
- ii) A gift of residual interest should be at least \$50,000, and if Ecojustice receives its interest upon the death of the donor, the donor should be at least 65 years of age. Satisfactory evidence of the value of Ecojustice's interest in the property must be provided to Ecojustice by the donor, at the donor's expense, before a receipt is issued. In some cases, Ecojustice may wish to acquire its own appraisal.
- iii) A trust document will be prepared at the donor's expense and may be reviewed by Ecojustice's legal counsel before the gift is accepted. Ecojustice will not execute the agreement until the donor and his or her legal advisor have determined that the trust document is in the proper form and that the gift itself is appropriate for the donor's situation.
- iv) To ensure its interest is properly safeguarded, Ecojustice has the right to inspect the property from time to time.

## **V. Gifts of Life Insurance**

### **Description**

Donors may donate a life insurance policy to Ecojustice in one of the following ways:

- i) irrevocably assign a paid-up policy to Ecojustice, naming Ecojustice as owner and beneficiary
- ii) irrevocably assign a life insurance policy on which premiums remain to be paid, naming Ecojustice as owner and beneficiary
- iii) name Ecojustice as a primary or successor beneficiary of the proceeds of a new or existing policy, or



- iv) name his or her estate as beneficiary of the proceeds of a new or existing policy and use the proceeds to fund a charitable bequest.

When ownership is irrevocably assigned to Ecojustice (options i and ii), the donor is entitled to a gift receipt for the FMV of the policy at the time of assignment and for any premiums subsequently paid. When ownership is not irrevocably assigned to Ecojustice (options iii and iv), the donor's estate is entitled to a gift receipt for the value of the proceeds received by Ecojustice.

### **Guidelines**

- i) Ecojustice will consider any of the gifts of life insurance listed above.
- ii) If the donor is buying a new insurance policy, Ecojustice will encourage the donor to pay it up fully in ten or fewer years. Ecojustice prefers policies with equity and a significant cash surrender value.
- iii) If a donor stops paying premiums before the policy is paid up, Ecojustice will either discontinue the policy or pay the remainder of the premium payments to ensure it receives the death benefit. This decision will be made by the Executive Director in consultation with the Chief Financial Officer and the Director of Philanthropy.
- iv) Gifts of life insurance should be made with clear philanthropic intent and not solely to gain a tax receipt. To ensure the transfer of life insurance is appropriate, a clear relationship between Ecojustice and the donor should be established. The following is evidence of a clear relationship:
  - a. The donor has a clear interest in Ecojustice's mission.
  - b. The donor has a history of giving to Ecojustice, ideally over multiple years.
  - c. The donor has a history of volunteering or working for Ecojustice.
  - d. The donor, or a close family member, has been a recipient of Ecojustice's services (i.e. a former client).

## **VI. Proceeds from RRSP and RRIF**

### **Description**

Donors may donate the proceeds from an RRSP or RRIF to Ecojustice in one of the following ways:



- i) name Ecojustice as a primary or successor beneficiary of the proceeds of a new or existing plan, or
- ii) name his or her estate as beneficiary of the proceeds of a new or existing plan and use the proceeds to fund a charitable bequest.

When the donor dies and the proceeds of the RRSP or RRIF are received by Ecojustice, Ecojustice will issue an official receipt for income tax purposes for the amount of the proceeds to the executor of the estate of the owner of the policy to be used by the estate. The proceeds of the RRSP or RRIF do not form part of the donor's estate.

**Guidelines:**

Ecojustice will consider any of the gifts of the proceeds of plans listed above. Ecojustice shall provide the donor with the correct legal name of Ecojustice for the beneficiary designation.

**C. CORPORATE GIFTS**

Over its 29 year history, Ecojustice's unique team of lawyers and scientists has gained a well-earned reputation for leadership in the environmental movement for using the law to protect and restore Canada's environment. Independence and integrity before the public and the courts is key to Ecojustice's effectiveness. To preserve our values and organizational identity, Ecojustice employs a strict corporate gift acceptance policy to avoid real and perceived conflicts of interest, while recognizing that Ecojustice may gain the following benefits of corporate relationships:

1. financial support
  - donations
  - cash sponsorships
  - corporate matching gifts
  - funds raised from proceeds of sales
  - volunteer grants
  - corporate in memoriam donations and employee giving)
2. gift-in-kind (GIK) support (a gift of goods or services)
3. employee volunteerism

The purpose of the corporate gift acceptance policy is to provide guidance to the Board of Directors, staff, volunteers and potential donors on which gifts can be accepted by Ecojustice. Ecojustice reserves the right to decline any gift or donation that we believe may undermine our commitment to the environment and may undermine our integrity or damage the reputation and ongoing work of Ecojustice.



Ecojustice will not accept a donation, contribution or sponsorship from any corporation/business that is:

1. an opposing party to a legal claim which Ecojustice is investigating or where Ecojustice is retained, or reasonably likely to investigate or be retained;
2. engaged in activities that conflict with Ecojustice's mission to use the law to protect and restore the environment; or,
3. where the donation is given on the condition that the donor will influence Ecojustice's strategic choices.

Ecojustice will accept a donation, contribution or sponsorship from any corporation or from an affiliation with any corporation that is committed to the principles that sustainability of the natural environment is fundamental to the sustainability of business. This commitment is demonstrated by some or all of the following factors:

1. Employing a strategy for operations that are focused not only on sustainable operations but on developing solutions for reducing environmental footprint (e.g., committed to not just 'recycling' but to 'reusing' and 'reducing.');
2. Having an industry-leading environmental record including complying with environmental regulations and laws, and publicly disclosing information on environmental compliance;
3. Fighting climate change through appropriate policies, strategies and operations;
4. Employing production processes that minimize or eliminate the use and release of toxic or hazardous substances; and,
5. Employing full-cost accounting, life cycle assessment and design for the environment; and,
6. Developing innovative products with environmental benefits.

A Corporate Relations Committee formed of the Executive Director, Director of Communications and a National Program Director, Chair of the Board Philanthropy and chaired by the Director of Philanthropy will review any potential corporate donations of \$100,000 or more to determine if the donation should be accepted. The need to carry-out consultation or seek approval outside of the Committee, in order to facilitate a decision, will be determined on a case-by-case basis. The Committee will strive for consensus in its decision-making process. If a unanimous decision cannot be reached, the matter will be referred to the Board of Directors for final resolution. All decisions will be considered to be effective immediately.

Should Ecojustice engage in proactive solicitation of corporate gifts, the committee is required to approve prospect lists before any approach is made by the relationship manager.

#### D. NAMING POLICY



Ecojustice has never acknowledged gifts by some form of permanent recognition and does not intend to do so (we consider it inconsistent with our activities and outcomes). Because this area is not practically relevant, our fairly extensive gifting policies simply disregard this issue. Therefore, we do not have a naming policy.

#### E. LONG TERM (EXPENDABLE) GIFT AND ENDOWMENT POLICY

Ecojustice depends on the generosity of our donors to fund our legal action to protect the environment. Long term (expendable) funds and endowments can provide a dependable source of income to support the future of our work. Both types of gifts are managed in accordance with the terms of a gift agreement executed by the donor and Ecojustice at the time that the gift is made, or in accordance with a donor's written testamentary wishes.

**Long term (expendable) funds** are gifts made to Ecojustice which are invested according to the donor's preferred timeline (usually a minimum of ten years). During this period, decapitalization may not encroach upon the capital used to establish the gift unless agreed upon by the donor. Typically, only the annual income generated by the investment is expendable. At the end of the term, Ecojustice may expend the principal in accordance with the gift agreement.

**Endowments** are an investment of funds for the long-term support of Ecojustice where the principal remains invested in perpetuity. Endowments can be established by a donor upon creating a formal endowment agreement with Ecojustice, or by leaving instructions in their will. A minimum initial investment of \$1,000,000 is required to create a new endowment. Once established, other donors may contribute to the existing endowment. Funds generated by endowments will be allocated to support Ecojustice's annual operating costs which enable us to use the courts and power of the law to defend nature, combat climate change, and fight for a healthy environment for all.

Long term funds and endowments will be invested in accordance with Ecojustice's investment policies. All new long term funds and endowments must be approved by executive staff and administered pursuant to Ecojustice's investment and annual budgeting policies and processes as determined by the Board of Directors. Ecojustice and its directors have a fiduciary obligation for the funds and their use, and take the highest standard of care to ensure funds are dedicated to the organization's purpose and the funds are prudently invested. More information is available in our Detailed Policy on Endowments and Long Term Funds which is available on request.

#### F. THIRD PARTY FUNDRAISING EVENTS

Third Party Fundraising Events, including endurance events (e.g. a marathon), personal campaigns (e.g. wedding and birthday giving in lieu of gifts) and community events (e.g. neighborhood walks or sports tournaments) are an important component to development strategies. Beyond the funds raised, these events have significant time and cost saving benefits



because planning, marketing and execution of is done by someone else. Third Party Fundraising Events also create awareness about Ecojustice Canada and bring new support to our organization.

In order to ensure Third Party Fundraising Events have a positive impact on Ecojustice Canada's public image, event organizers are required to complete and sign an Event Proposal Form agreeing to the following policies:

1. Ecojustice will not accept a donation from any event:
  - a. which has received donations, contributions or sponsorship from an opposing party to a legal claim which Ecojustice is investigating or where Ecojustice is retained, or reasonably likely to investigate or be retained;
  - b. which has received donations from corporate donors engaged in activities that conflict with Ecojustice's mission to use the law to protect and restore the environment; or,
  - c. where the donation is given on the condition that the donor or event organizer will influence Ecojustice's strategic choices.
2. Ecojustice logos are registered trademarks; unauthorized use is prohibited. All materials bearing Ecojustice's name and/or logo must be submitted to our office prior to printing. Ecojustice reserves at any time the right to withdraw the use of its name;
3. The event organizer will act with fairness, integrity, and in accordance with all applicable laws;
4. The event organizer will cease contacting a prospective donor who states that he/she does not wish to be contacted;
5. No cost or liability associated with this event shall be incurred by Ecojustice;
6. The event organizer agrees to provide all staffing and volunteers for the event;
7. The event organizer agrees to use its own mailing list for the event;
8. The event organizer will obtain all necessary permits, licenses, and insurance. Ecojustice's insurance policy does not extend to third party events;
9. Official tax receipts will only be issued by Ecojustice Canada in accordance with CRA guidelines. The final decision to issue official tax receipts rests with Ecojustice;
10. Event expenses may not be paid from tax-receiptable donations. All donations requiring a tax receipt must be received in full by Ecojustice Canada;
11. The event organizer agrees to remit funds to Ecojustice within 3 months of the event;
12. If there is to be any gaming activities at the event, a gaming license is required by law;
13. Ecojustice Canada does not approve the following types of fundraising to be contracted by third party individuals or organizations.
  - a. Programs that involve professional fundraisers, telemarketing and/or an agreement to raise funds on a commission, bonus, or percentage basis;
  - b. Third-party fundraising:

- i. Where the donor is an opposing party to a legal claim which Ecojustice is investigating or where Ecojustice is retained, or reasonably likely to investigate or be retained;
    - ii. Where the donor is engaged in activities that conflict with Ecojustice's mission to use the law to protect and restore the environment; or,
    - iii. Where the donation is given on the condition that the donor will influence Ecojustice's strategic choices.
  - c. Any other fundraising that conflicts with our Gift Acceptance Policy (available on our website at [www.ecojustice.ca/about/ecojustice-policies](http://www.ecojustice.ca/about/ecojustice-policies)).
- 14. The event organizer will disclose immediately to Ecojustice Canada any actual or apparent conflict of interest or loyalty;
- 15. If the fundraiser is cancelled, the event organizer will notify Ecojustice Canada prior to the planned event day;
- 16. Ecojustice Canada agrees to provide the event organizer with recognition commensurate with the level of giving.