

Council Policy

Policy Title: Fundraising to Benefit a Third Party
Policy Number:
Report Number: PFC2017-0180
Adopted by/Date:
Effective Date:
Policy Owner: Office of the Councillors and Office of the Mayor

1. POLICY STATEMENT

- 1.1 Members of Council may Fundraise and accept Donations for the purpose of organizing events to benefit a Third Party.
- 1.2 Donations by any individual, corporation, union or organization shall not exceed \$5,000 for each individual event organized by a Member of Council.
- 1.3 In circumstances where a Member of Council directly receives and expends Donations, that Member of Council must demonstrate accountability and transparency in their administering of Donations.

2. PURPOSE

- 2.1 The purpose of this Council policy is to provide Members of Council with guidance and procedures related to Fundraising, accounting for received Donations, and administering surplus funds.

3. DEFINITIONS

- 3.1 In this Council policy:
 - a. "Community" means a geographic area identified by name within the boundaries of The City of Calgary and its residents;
 - b. "Donation" means money, in-kind goods or services voluntarily provided in response to Fundraising;
 - c. "Donor" means an individual, corporation or union that provides a Donation in response to Fundraising;
 - d. "Fundraising" or "Fundraises" means an activity undertaken for the purpose of soliciting Donations;
 - e. "Recurring event" means an event that occurs at approximately the same time and has the same purpose; and

- f. "Third Party" means a Community, an organization that is incorporated, established or registered pursuant to the laws of the Province of Alberta or is registered as a registered charity under the *Income Tax Act* (Canada).

- 3.2 For the purpose of this Council policy, Fundraising undertaken and Donations accepted by a person acting on behalf of a Member of Council is deemed to have been undertaken by a Member of Council.

4. **APPLICABILITY**

- 4.1 This Council policy applies only to circumstances where a Member of Council directly receives and expends Donations obtained through Fundraising for the purpose of organizing an event to benefit a Third Party.

- 4.2 This Council policy does not apply:

- 4.2.1 to Fundraising undertaken by a Member of Council to raise campaign contributions for the purpose of a municipal election, nor does it supersede any provision of the *Local Elections Authority Act* (Alberta); and
- 4.2.2 in circumstances where the Member of Council is lending support by promoting a Third Party, but does not directly receive or expend Donations.

5. **PROCEDURE**

5.1 Fundraising

- 5.1.1 Where a Member of Council Fundraises and accept Donations for the purpose of organizing an event to benefit a Third Party, the Member of Council must:
 - a. advise potential Donor(s) in advance of the event of the intended use of the Donations;
 - b. open an account for the purpose of receiving monetary Donations for each event in the case that any portion of the Donations are used to pay for expenses to organize the event;
 - c. account for all Donations directly received, estimating the value of in-kind Donations, and any expenses paid by the Donations to organize or stage the event; and
 - d. have a dedicated account for each event, and not transfer Donations between the accounts.

- 5.1.2 Any Donations raised at an event organized by a Member of Council to benefit a Third Party must be provided by the Donor(s) directly to the Third Party.
- 5.1.3 If an event organized by a Member of Council is cancelled, any Donation received by a Member of Council must be returned to the Donor(s) where possible but, if that is not possible after the Member of Council makes reasonable efforts to return the Donation, the Donation must be provided to the Third Party that the Donation was originally intended to benefit.

5.2 Surplus

- 5.2.1 In the event that a Member of Council receives more Donations than required to organize an event to benefit a Third Party, the surplus must be returned to the Donor(s), where possible but, if that is not possible after the Member of Council makes reasonable efforts to return the Donation, the Donation must be provided to the Third Party that the Donation was originally intended to benefit.
- 5.2.2 Members of Council cannot directly manage how a Third Party utilizes the Donations once they have been provided to the Third Party by the Member of Council.
- 5.2.3 Despite Section 5.2.1, where a Member of Council Fundraises for a Recurring event, the Member of Council may carry over an operational surplus to organize an event in the following year.
- 5.2.4 When a Member of Council ceases to be a Member of Council, the Member of Council must provide any surplus to the Third Party that they were originally intended to benefit.

5.3 Election Year

- 5.3.1 Members of Council cannot:
 - a. Fundraise for the purpose of organizing an event to benefit a Third Party in an election year, unless the Member of Council Fundraised for the same purpose in each of the two years preceding the election year; and
 - b. Fundraise and organize an event during the period commencing on nomination day and ending on election day (as set by the *Local Authorities Election Act* (Alberta)).
- 5.3.2 Donations received in response to Fundraising to benefit a Third Party cannot be used by a Member of Council as election campaign contributions.

5.4 Disclosure

5.4.1 Members of Council must disclose and publish an annual Fundraising statement, within 60 days of the end of the calendar period, to the Office of the Councillors' public webpage, and in the case of the Mayor, to the Office of Mayor's public webpage, containing the following:

- a. the name(s) of the event(s) organized in a calendar year;
- b. name(s) of Third Parties;
- c. Donors who directly provided Donations to a Member of Council;
- d. total amount of Donations directly received by a Member of Council, with an estimate of in-kind donations;
- e. total amount of expenditures by a Member of Council to organize an event, if applicable;
- f. total amount of Donations provided by the Member of Council to each Third Party; and
- g. any operational surplus funds carried over to the following calendar year, if applicable.

6. AMENDMENT(S)

Date of Council Decision	Report/By-Law	Description

7. REVIEWS(S)

Date of Policy Owner's Review	Description