



## Immanuel Christian School DONOR DIRECTED FUNDS POLICY

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### **Purpose:**

The Immanuel Christian School Donor Directed Funds Policy was drafted to both inform the members, and direct the Board, of the Canadian Reformed School Society at Winnipeg, Inc. regarding the disbursement of donor directed funds (restricted gifts).

### **Note:**

The Canadian Council of Christian Charities website was consulted when drafting this policy, and the following information was obtained:

*"Donor Directed Funds (Restricted Gifts)*

*A restricted contribution designated to a particular approved program or project of the charity must be used for the purpose for which it was given. It is therefore very helpful to have a policy that states the restricted contribution is accepted subject to certain provisos for specific situations such as when a project is oversubscribed or terminated. For example, if, in response to a fundraising drive for a new piano, a church received \$23,000 in restricted gifts but only needed \$20,000, what happens to the extra \$3,000? It is a common misconception that the charity can unilaterally reallocate the excess funds, or that the donors can be asked to redirect their gifts. Even if it could be determined which donors contributed the extra \$3,000 (difficult if all donations responded to the same request), there is not a legal basis for doing so. To avoid being legally precluded from using restricted funds for other projects where a project is oversubscribed or is terminated, a charity, the church in this case, should make the policy known to all donors and, for example, publish its donor restricted gift policy on all appropriate fundraising materials." ([www.ccocc.org](http://www.ccocc.org), October 2019)*

### **Policy:**

Spending of funds is confined to Immanuel Christian School Board of Directors approved programs and projects. Each contribution directed toward an approved program or project will be used as restricted with the understanding that when the need for such a program or project has been met, or cannot be completed for any reason as determined by the Board of Directors, the remaining restricted contributions will be used where most needed.

This policy will be posted on the Immanuel Christian School website, and will be included in the information package provided to all new members as a means of satisfying the requirement that the policy be made public.