LPS-A-GA-001

Fundraising, Sponsorship, and Distribution of Proceeds Policy: Chief's Gala

Policy Number	LPS-A-GA-001
Effective Date	August 21, 2025
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Approved By	London Police Service Board
Board Governance Policy Linkages	TBD

1. Purpose

The Chief's Gala is a public-facing annual fundraising event hosted by the Chief of Police, in which proceeds are raised to support local charities. The purpose of this policy is to ensure transparent, ethical, and accountable governance of all fundraising activities associated with the Chief's Gala. This includes setting clear expectations for the selection of charitable grant recipients, oversight of sponsorship practices, and financial reporting. The policy also outlines the roles and responsibilities of the Chief and the Gala Fundraising Committee.

2. Legislative Authority

This policy is established under the following legislative and regulatory framework:

1. ***Community Safety and Policing Act*, 2019 ("*CSPA*")**
   Section 38 (1)(a)(g) and 38 (2): Police Service Board Policies
   A Police Service Board shall establish policies respecting the administration of the police service and any other prescribed matters, or any other matters related to the police service or the provision of policing.

3. Scope

This policy applies to:

1. All activities related to the fundraising, sponsorship, and distribution of proceeds from the Chief's Gala.
2. The conduct of the Board Members, Chief, the London Police Service (the Service), the Gala Fundraising Committee, and volunteers who participate in the planning or promotion of the Chief's Gala.

4. Policy Directives

1. **Governance and Oversight**
   a) The Chief's Gala is a public-facing annual event by the Chief of Police and supported by a Gala Fundraising Committee determined in consultation with the Board and the Chief.
   b) The Chief and the Gala Fundraising Committee are accountable to the Board and must operate in accordance with this policy and any related Board guidelines.

2. **Sponsorships and Donations**
   a) The Board reserves the right to approve or deny any sponsorship or donation associated with the Chief's Gala. Such authority shall be delegated to the Fundraising Committee on an annual basis, unless otherwise determined by the Board.
   b) No sponsorships or donations will be accepted from individuals or entities whose business practices or reputation could damage public trust in the Service or the Board, as determined by the Fundraising Committee or the Board.
   c) Recognition must not imply endorsement or obligation to purchase any sponsor's goods or services.
   d) Sponsorships or donations shall not cause a Board or Service employee to receive any product, service, or assets for personal gain or use.
   e) Sponsorships or donations shall not in any way invoke future consideration, influence, or be perceived to influence the day-to-day business of the Board or Service.
   f) All donations shall be eligible and shall meet the legal definition of a "gift" per the *Income Tax Act* (Canada) and Canada Revenue Agency (CRA) policy. A "gift" is a voluntary transfer of property for which the donor receives nothing of value in return.
   g) Unrestricted gifts of cash and publicly traded securities may be accepted in the ordinary course. Other types of gifts, such as gifts of real estate, other gifts-in-kind, private company shares, stock options, etc., will be considered by the Board on a case-by-case basis to ensure the gift is accepted and receipted per the rules of the *Income Tax Act* (Canada) and CRA Policy.

3. **Fundraising Financial Standards**
   a) The Board shall maintain, or cause to be maintained, accurate documentation for all funds raised and distributed. The Board may delegate this responsibility to the Committee, but retains oversight.
   b) An initial financial report must be submitted to the Board within 60 days of the Gala, including:
      i. Total funds raised.
      ii. A breakdown of expenses (including allowable costs).
      iii. Net proceeds available for distribution.

4. **Selection of Grant Recipients**
   a) Each year, proceeds will be distributed to local community charitable organizations.
   b) All recommended recipients must be submitted to the Gala Fundraising Committee using a nomination form. This nomination form shall include a mandatory declaration by the individual submitting the nomination, confirming that they will not receive a private benefit from the donation.
   c) At least one recipient shall be selected by the Chief, subject to the following:
      i. The charity must be based in London, Ontario, hold charitable status with the CRA, and align with the values of the Service and the Board.
      ii. The Chief shall submit a written memorandum to the Board outlining the rationale for the selection(s).
      iii. If the Chief has a personal or professional relationship with the charity, this must be disclosed. In such cases, the selection must be approved through an alternate process led by the Board or a neutral designate.
   d) At least one recipient shall be selected through a shortlist process coordinated by the Gala Fundraising Committee in consultation with the Chief and Board and presented for a vote by the LPS membership.

5. **Grant Recipient Eligibility and Agreements**
   a) All recipient organizations must be registered charities, based in London, Ontario, and in good standing with the CRA.
   b) Prior to the Gala, written agreements must be in place with recipient organizations.
   c) No Committee member, Board member, or the Chief may receive a direct or indirect private benefit as a result of the donation. This includes:
      i. Fulfilling a personal pledge.
      ii. Gaining access, status, or benefits from the recipient.
   d) If any Committee member, Board member, or the Chief has a personal or professional relationship with a nominated charity, such individual shall disclose this relationship and shall recuse themselves from any decision-making on whether or not to select the charity as a recipient.

6. **Donation Receipting**
   a) The Board shall issue an official donation receipt for Canadian income tax purposes to all eligible donations per the requirements of the *Income Tax Act* (Canada).

b) The Board may only issue an official donation receipt in the name of the true donor, the individual or business that made the donation.
c) Donation receipts shall be made for the "eligible amount", being the difference between the fair market value of the property gifted and any advantage received by the donor.
d) An advantage includes anything of value received in respect of the gift by the donor or persons related to the donor. Where the advantage received by the donor is less than 80% of the fair market value of the property, the Board shall issue a tax receipt for the fair market value of the property that is over and above the amount of the advantage. If the advantage to the donor is over 80% of the value of the gifted property, the Board shall not issue a tax receipt. If the value of the advantage is less than $75 and less than 10% of the value of the donation, the advantage shall not be deducted from the eligible amount of the gift for receipting purposes.
e) The Board shall issue tax receipts for each eligible donation within the year in which the gift is received, and such tax receipts shall contain all the information required under the Regulations of the *Income Tax Act* (Canada) and CRA policy.
f) The Board shall not provide an official donation receipt for any sponsorships.
g) The Board may provide official donation receipts to any business that makes a donation and does not receive any recognition, or receives minimal recognition at the same level as all other donors without special treatment, for the donation.
h) The Board shall not provide an official donation receipt for any gifts received from a charity. There may be a written agreement or correspondence between the Board and the charity, whereby the granting charity shall inform the Board of such a grant and the Board shall acknowledge receipt of the grant and thank the granting charity.

5. Public Disclosure, Transparency, and Accountability

A donor and sponsor declaration process must be implemented and maintained to uphold transparency and ethical fundraising standards.

6. Conclusion

This policy reflects the Board's commitment to ethical oversight, fiscal responsibility, and community trust in the fundraising activities associated with the annual Chief's Gala. It is intended to support a transparent and principled approach to event planning, sponsor engagement, and charitable giving.

The Chief shall ensure that all Gala activities carried out by the Service are in accordance with this policy and shall present a final Gala report to the Board for receipt in a timely and accountable manner. Grant cheques to selected charitable recipients shall be presented publicly at a Board meeting to reinforce transparency and accountability.

This policy will be reviewed periodically to ensure its continued relevance and effectiveness. The Board may amend this policy as deemed necessary, to reflect changes in legislation, organizational needs, or best practices.