



STAFF REPORT ACTION REQUIRED

A Summary of the City's Donation Activity for 2013

Date:	August 6, 2014
To:	Executive Committee
From:	Phyllis Berck, Director, Toronto Office of Partnerships
Wards:	All
Reference Number:	

SUMMARY

The purpose of this report is to provide an annual summary of the City's donation activity as required by section 4.15 of the *Policy on Donations to the City for Community Benefits*.

For the 2013 fiscal year, almost 8,000 donations were received with a total value of \$1.09 million. More than 35 City programs benefitted from these donations in 2013. Donations were made by both individuals and organizations and came in largely from local areas of the City, but also from other parts of the province, and even the country.

It is important to note that the summary only pertains to donations for which tax receipts were issued by the City itself. Agencies and Corporations that issue their own tax receipts, such as the Toronto Public Libraries and the Toronto Zoo, are not included in this summary. Moreover, since the summary is based solely on tax-receiptable donations, the actual value of contributions to the City is likely higher.

The Toronto Office of Partnership (TOP) will report back on the City's 2014 donation activity in the summer of 2015.

RECOMMENDATIONS

The Toronto Office of Partnerships recommends that:

1. The Executive Committee receive this report for information.

Financial Impact

There are no financial implications arising from this report.

DECISION HISTORY

At its meeting on May 26 and 27, 2008 City Council adopted the “Delegation of Authority to Receive and Spend Donations to the City for Community Benefits” (EX20.3) staff report, as amended. The report revised the *Policy on Donations to the City for Community Benefits*. The Policy, which was further updated in 2012, requires the Toronto Office of Partnership to provide Council, on an annual basis, with a summary of the City’s donation activity for the prior fiscal year (section 4.15). This information report is in response to that directive.

The Policy is available at:

http://www1.toronto.ca/city_of_toronto/toronto_office_of_partnerships/files/pdf/donation_policy.pdf

The City Council Decision Document for May 26 and 27, 2008 is available at:

<http://www.toronto.ca/legdocs/mmis/2008/cc/decisions/2008-05-26-cc21-dd.pdf>

ISSUE BACKGROUND

The City’s donation activity for the 2013 fiscal year (Attachments #1 – #2) can be summarized as follows:

- 1) Approximately \$1.09 million was received in 2013.
- 2) Almost 8,000 donations were accepted. While a number of individuals and organizations donated on more than one occasion, usually donors gave once to a particular cause.

- 3) Although both individuals and organizations contributed to City initiatives, the vast majority of donations were obtained from individuals (over 95%).
- 4) As was to be expected, virtually all donations received were from City of Toronto residents. However, donations did come in from other parts of the province, and the country.
- 5) Of the approximately 8,000 donations received in 2013, 60% (4,801) were for \$25 or less. In fact, \$20 was the most common donation to the City.
- 6) In 2013, the City received relatively few sizeable cash and in-kind donations: 23 had a value over \$5,000 including 2 donations which were valued at more than \$50,000.
- 7) Donors gave to more than 35 different City programs. However, 72% (5,763) of the total number of donations received were designated for Municipal Licensing & Standards' Toronto Animal Services (TAS) unit. The division's success is largely attributable to its 24-hour online pet licensing system (ePET). The system includes a donation component which enables pet owners to contribute to TAS' spay and neutering program while at the same time allowing them to register their pets or renew their licenses online. Prior to ePET's inception, TAS averaged \$30,000 in over the counter donations, while in 2013, individual donations brought in more than \$232,000. In fact, ePET receives an online donation virtually every day.
- 8) In addition to receiving the greatest number of donations, Municipal Licensing and Standards also received the highest total value of donations of any division; approximately \$0.232 million (or about 21% of the \$1.09 million total). This was followed closely by Parks, Forestry and Recreation and Long-Term Care Homes and Services, each with \$0.205 million. Accordingly, these three divisions accounted for approximately 60% of the \$1.09 million.
- 9) In December 2011, Council approved the Voluntary Contribution Program. The Voluntary Contribution program offers an easy way for residents to contribute to City programs and services by including a donation with their property tax payment, either by a mailed-in cheque payment or in person at the City's Tax and Utility enquiry/payment counters. Both the 2013 interim and final property tax bills included an insert advising residents of the program, and offered them the opportunity to direct their contribution to any of the 12 City programs or services listed below:

Division	Total 2013 Contributions	Percent of Total
Children's Services	\$1,373	6.9%
Cultural Services and Museums	\$1,142	5.7%
Emergency Services (Police, Fire & EMS)	\$3,482	17.5%
Employment and Social Services	\$334	1.7%
Long Term Care Homes and Services	\$2,586	13.0%
Parks, Forestry and Recreation	\$2,684	13.5%
Roads and Transportation services	\$541	2.7%
Shelter, Support and Housing	\$1,306	6.5%
Toronto Animal Services	\$1,927	9.7%
General Revenues	\$342	1.7%
Toronto Public Libraries	\$2,445	12.3%
Transit	\$1,789	9.0%
Total	\$19,951	100.0%

For 2013, a total of 218 tax-receipted donations were processed from this Program with a value of \$19,951. Donations ranged from \$10 to \$1,500, with the most common donation amount being \$100.

- 10) Compared to 2012, both the number and total value of donations decreased in 2013. Funds received often fluctuate significantly from one year to the next due to one-off large-scale donations or special campaigns:

Year	Number	Total Value
2008	8,098	\$2.20 Million (including \$0.7 million for a donation of land)
2009	9,984	\$2.72 Million (including \$1 million for Earl Bales Park)
2010	10,428	\$1.22 Million
2011	8,761	\$1.85 Million
2012	9,121	\$1.28 Million
2013	7,996	\$1.09 Million

COMMENTS

In reviewing the City's 2013 donation activity, the following should be noted:

1. Summary of Limitations

The above summary is qualified by the following provisions:

- The analysis is derived almost exclusively from data provided by the City's Accounting Services Division.
- The analysis is based only on donations for which tax receipts were issued by the City itself. Accordingly, the actual value of donations collected by the City is almost certainly higher. For example, although many City divisions often receive valuable in-kind donations, in 2013, only 26 such contributions were recorded for tax receipting purposes. Income tax receipts can only be issued for in-kind donations if the recipient division requests a donation receipt and provides a written appraisal report. The summary indicates that this is not always done. As well, companies that file corporate tax returns normally write off in-kind contributions as expenses. Hence, many (if not most) businesses do not request tax receipts for their in-kind donations. As such, the number of organizational contributions is likely to be under-reported.
- Many of the City's Agencies and Corporations, such as the Toronto Public Library and the Toronto Zoo issue their own tax receipts. Their fundraising efforts are therefore not included in this analysis.

2. Current Process

Currently, the City does not have a corporate capacity to accept and receipt donations electronically. City divisions, with few exceptions, can only collect funds either by mail or in person. This results in a time lag between the receipt of the donation and the issuance of the matching tax receipt. Even in instances where funds are accepted online, as in the case of TAS, the City does not have the capability of issuing instantaneous electronic tax receipts. Rather, all donations need to be physically recorded and batched by the recipient division before the requisite documentation is forwarded to Accounting Services for receipting purposes. This manual process is quite time consuming.

3. Privacy Concerns

One of the rationales for reporting back on in-year donation activity was to recognize the generosity of specific City donors. Acknowledging the goodwill of Toronto residents is part of the City's ongoing commitment to improving donor stewardship and cultivating relationships. However, due to privacy and confidentiality concerns, we are not able to disclose the names of donors at this time. Under the City's current manual receipting procedures, there is no standard method for identifying which donors wish to remain anonymous and which are willing to being publicly acknowledged. Without the express consent of these donors, the City is not authorized to divulge any of their names nor the amounts they have given, even if it is solely for the purposes of recognition.

4. Future Opportunities

As part of its mandate, TOP actively seeks new donors for City services and programs. To facilitate opportunities for giving, and to address some of the issues identified above (i.e. a labour intensive transaction process, manual tax receipting, donor recognition limitations, etc.), the Office, in conjunction with Accounting Services and the Parks, Forestry and Recreation Division have developed an e-donations strategy for the City. The strategy involves the establishment of an IT platform to support an online donations presence for all City divisions. It is expected that a web-based application that allows members of the public to conveniently make their contributions electronically could potentially boost current donation levels substantially, similar to how the ePET system has helped TAS diversify and enhance its revenue base. Furthermore, an e-donations approach is considered to be relatively efficient compared to paper-based transactions since it allows for much of the administrative back-end (recording, income tax receipting, etc.) to be automated, thereby streamlining the process significantly. An E-donations and Volunteer Management System procurement process is underway and a system is expected to be operational in 2015.

5. 2014 Donation Activity

For the 2014 fiscal year, the Toronto Office of Partnership will report back on the City's donation activity in the Summer of 2015.

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SIGNATURE

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ATTACHMENTS

Attachment #1 - 2013 Divisional Summary of Tax-Receipted Donations
Attachment #2 - Number of 2013 Divisional Donations by Value Thresholds

Attachment #1

2013 Divisional Summary of Tax-Received Donations

Division	Cash Donations		In-Kind Donations	
	Number	Value	Number	Value
City Clerk's Office				
City of Toronto Archives			12	\$ 265,150
Council & Support Services- Canada Day Event	7	\$ 4,500		
Council & Support Services- Skating Event	1	\$ 5,000		
Council & Support Services-Annual Christmas Party	1	\$ 2,000		
Council & Support Services-Community Movie nights	1	\$ 1,599		
Municipal Services	1	\$ 5,255		
City Council				
City Purposes	3	\$ 1,121		
Economic Development & Culture				
Casa Loma			1	\$ 1,500
Colborne Lodge	1	\$ 25		
Various/Other			2	\$ 5,000
Facilities Management			1	\$ 7,200
Gibson House Museum			1	\$ 250
Historical Collection, Museum Services	1	\$ 200	1	\$ 600
Montgomery's Inn	2	\$ 250	1	\$ 8,000
Museum Services	3	\$ 38,000	5	\$ 19,420
Facilities Management Services				
Scarborough Civic Centre			1	\$ 719
Municipal Licensing & Standards				
Toronto Animal Services	5,763	\$ 232,532		
Parks, Forestry & Recreation				
Commemorative Tree & Bench	242	\$ 191,765		
Park Improvements	3	\$ 12,500		
Rosehill Gardens	1	\$ 100		
Toronto Parks	1	\$ 500		
Policy, Planning, Finance & Admin.				
Risk Watch Program	1	\$ 3,000		
Revenue Services				
Voluntary Contribution - City Services	218	\$ 19,951		
Shelter, Support & Housing Administration				
Family Residence	6	\$ 180		
Gibson House			1	\$ 750
Robertson House	3	\$ 1,240		
Seaton House	10	\$ 1,486		
Street to Homes Assessment & Referral Centre	1	\$ 40		
Toronto Youth Cabinet	2	\$ 750		
Tower Renewal Community Development	1	\$ 500		
Women's Residence	1	\$ 300		
Social Development, Finance & Administration				
Cecil Community Centre	2	\$ 2,600		
Family Residence	2	\$ 1,060		
Rotary Peace Park	1	\$ 30,000		
Toronto Office of Partnerships				
Emergency Relief	11	\$ 1,523		
Toronto Police Service				
Mounted Unit	1	\$ 4,500		
Harbourfront Community Centre				
Harbourfront Community Centre	49	\$ 9,028		
Lake Shore Village BIA				
Lake Shore Village BIA	1	\$ 3,000		
Long Term Care Homes and Services				
Services	1,629	\$ 204,544		
Grand Total	7,970	\$ 779,049	26	\$ 308,589

Attachment #2

2013 Divisional Donations by Select Value Thresholds

	<=\$25	\$25-\$100	\$100-\$500	\$500-\$1000	\$1000-\$5000	\$5000-\$10000	>\$10000	Total
City Clerk's Office			8	4	5	1	5	23
City Council			3					3
Cultural Services					1			1
Economic Development & Culture	1	1	7	2	1	3	3	18
Facilities Management Services				1				1
Harbourfront Community Centre	7	27	12	1	2			49
Lake Shore Village BIA					1			1
Municipal Licensing & Standards	3,744	1,892	119	6		1	1	5,763
Parks, Forestry & Recreation	14	47	12	116	57	1		247
Policy, Planning, Finance & Admin.					1			1
Revenue Services	65	124	25	3	1			218
Shelter, Support & Housing	4	10	9	2				25
Social Development	1	1			2		1	5
Toronto Office of Partnerships	1	7	2	1				11
Toronto Police Service					1			1
Long Term Care	964	423	197	21	17	6	1	1,629
Total Number	4,801	2,532	394	157	89	12	11	7,996
Total Value	\$ 95,870	\$ 150,917	\$ 96,924	\$ 108,411	\$ 193,898	\$ 95,440	\$ 346,176	\$ 1,087,636