



**STAFF REPORT
ACTION REQUIRED**

A Summary of the City's Donation Activity for 2015

Date:	October 11, 2016
To:	Executive Committee
From:	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 2015 fiscal year, over 7,100 donations were received with a total value of \$1.25 million. More than a dozen City divisions and programs benefitted from these contributions. 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-receipted donations, the actual value of contributions to the City is certainly higher.

The Toronto Office of Partnership (TOP) will report back on the City's 2016 donation activity in the summer of 2017.

RECOMMENDATIONS

The Director, 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 2015 fiscal year (Attachments #1 – #2) can be summarized as follows:

- 1) Approximately \$1.25 million was received in 2015.
- 2) Over 7,100 donations were accepted. While a number of individuals and organizations donated on more than one occasion, usually donors gave only once to a particular cause.

- 3) Although organizations also contributed to City initiatives, the vast majority of donations were obtained from individuals.
- 4) As was to be expected, the vast majority of donations were received from City of Toronto residents. However, donations did come in from other parts of the province and the country.
- 5) Of the 7,133 donations received in 2015, 92% (6,585) was for \$100 or less. In fact, 47% (3,382) of all donations were valued at less than \$25.
- 6) In 2015, as in previous years, the City received relatively few sizeable cash and in-kind donations: 15 had a value over \$5,000 including 2 donations of at least \$100,000 each.
- 7) Donors gave to more than a dozen different City divisions and programs. However, 81% (5,788) of the total number of donations received were designated for Municipal Licensing & Standards (MLS). 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 Toronto Animal Services' spay and neutering program while at the same time allowing them to register their pets or renew their licenses online.
- 8) While MLS received the greatest number of donations, the Parks, Forestry and Recreation Division secured the highest total value (\$0.342 million), followed by MLS (\$0.221 million) and the Social Development, Finance and Administration Division (\$0.150 million). In fact, these 3 divisions accounted for approximately 57% of the \$1.25 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 2015 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:

Program/Service	Total 2015 Contributions	Percent of Total
Children's Services	\$2,106	9
Cultural Services and Museums	\$1,382	6
Emergency Services (Police, Fire & EMS)	\$5,494	23
Employment and Social Services	\$189	1
Long Term Care Homes and Services	\$2,365	10
Parks, Forestry and Recreation	\$2,990	12
Transportation Services	\$340	1
Shelter, Support and Housing	\$2,183	9
Toronto Animal Services	\$1,746	7
General Revenues	\$184	1
Toronto Public Libraries	\$3,018	12
Transit	\$2,412	10
Total	\$24,407	100%

For 2015, a total of 197 tax-receipted donations were processed from this Program with a value of \$24,407. Donations ranged from \$20 to \$2,000, with the most common donation amount being \$25.

- 10) While, compared to 2014, the number of donations accepted last year remained virtually unchanged, their total value increased. 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
2011	8,761	\$1.85 Million
2012	9,121	\$1.28 Million
2013	7,996	\$1.09 Million
2014	7,171	\$1.12 Million
2015	7,133	\$1.25 Million

COMMENTS

In reviewing the City's 2015 donation activity, the following should be noted:

1. Summary of Limitations

The above summary is qualified by the following provisions:

- The analysis is derived 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 certainly higher. For example, although many City divisions often receive valuable in-kind donations, in 2015, only 31 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 ePET, 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 be 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 has been completed and we are looking to launch a pilot project before the end of 2016.


5. 2015 Donation Activity

For the 2016 fiscal year, the Toronto Office of Partnership will report back on the City's donation activity in the Summer of 2017.

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SIGNATURE



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ATTACHMENTS

Attachment #1 - 2015 Divisional Summary of Tax-Receipted Donations
Attachment #2 - Number of 2015 Divisional Donations by Value Thresholds

Attachment #1

2015 Divisional Summary of Tax-Received Donations				
Division	Cash Donations		In-Kind Donations	
	Number	Value	Number	Value
City Clerk's Office				
Archives			9	\$ 276,422
Councillor Organized Community Event	5	\$ 9,790		
City Council				
City Purposes	1	\$ 1,130		
Economic Development & Culture				
Museums & Heritage	2	\$ 540	13	\$ 28,560
Municipal Licensing & Standards				
Animal Services	5,784	\$ 220,338	4	\$ 999
Parks, Forestry & Recreation				
Commemorative Tree & Bench Program	321	\$ 305,208	1	\$ 2,530
Programming	1	\$ 12,733	1	\$ 21,879
Revenue Services				
Voluntary Contribution	197	\$ 24,407		
Shelter, Support & Housing Administration				
Various Shelters & Centres	22	\$ 13,425	1	\$ 656
Social Development, Finance & Administration				
Danzig Community	3	\$ 149,982		
Toronto Police Service				
Training & Programming	8	\$ 20,350		
Harbourfront Community Centre				
Programming	49	\$ 13,658		
Long Term Care Homes and Services				
Various Homes	709	\$ 92,240	2	\$ 53,640
Grand Total	7,102	\$ 863,803	31	\$ 384,686

Attachment #2

2015 Divisional Donations by Select Value Thresholds

	<\$25	\$25-\$100	\$101-\$500	\$501-\$1,000	\$1001-\$5,000	\$5001-\$10,000	>\$10,000	Total
City Clerk's Office		1	4	2	3		4	14
City Council					1			1
Economic Development & Culture		1	3	8	1	1	1	15
Municipal Licensing & Standards	3,059	2,616	106	5	2			5,788
Parks, Forestry & Recreation	5	60	16	160	81		2	324
Revenue Services	19	139	34	3	2			197
Shelter, Support & Housing		14	5	2	2			23
Social Development							3	3
Toronto Police Service			2		6			8
Harbourfront Community Centre	3	31	11	2	2			49
Long Term Care Homes	296	341	61	7	2		4	711
Total Number	3,382	3,203	242	189	102	1	14	7,133
Total Value	\$ 67,730	\$ 163,021	\$ 58,465	\$ 142,554	\$ 245,178	\$ 5,700	\$ 565,840	\$ 1,248,489