

MEETING DATE: May 14, 2003

SUBJECT: TTC's Charity Guidelines

RECOMMENDATION

It is recommended that the Commission approve the proposed changes to the TTC's Charity Event Guidelines as outlined in Appendix A.

FUNDING

There are no costs associated with these proposed changes.

BACKGROUND

In accordance with the Charitable Requests Policy, the TTC gives permission to various charities to conduct fundraising activities at subway stations. There are guidelines that staff follow to ensure fair review and evaluation of these requests (Appendix A). Any charity requesting consideration must be incorporated and registered as a charitable organization under the Canada Income Tax Act; provide programs and services which are of a social, health, community or related nature; be operated by a volunteer board of directors; effectively use volunteers in the delivery of service and must be located in Toronto.

Last year, the TTC gave permission to 25 charities to conduct fundraising activities on TTC property, of these 8 involved the selling of third party products, e.g. crocuses, toques, daffodils, carnations, etc. Others involved receiving donations for ribbons, donations for information and donations alone (Appendix B).

DISCUSSION

When the TTC gives permission for an organization to conduct an activity or event on the transit system, it is providing that organization with direct access to TTC customers and by extension the TTC is endorsing the fundraising activity. It is, therefore, important for

the TTC to take the necessary steps to ensure that only those organizations and events that are consistent with the interests of transit riders are allowed access to the system and that the charitable donations received are put to good use.

Recently, there has been an increased interest by the public and the media regarding charities and how the funds collected are used in connection with furthering the charity's mandated activities. In this regard, staff feels it is time to review our charity guidelines with the addition of new criterion. These changes will assist in the selection of charities and events to which TTC customers are exposed, and will ensure that events that are collecting more money for the product supplier than for the charity are not provided access to our system.

In an effort to address these concerns, we propose the following:

1. Add to the current list of guidelines: A charity must have achieved a "good works percentage" of 50 per cent or greater. This information will be obtained from the most recently available public information provided by Canada Customs and Revenue.

The "good works percentage" indicates the per cent of the money collected by the charity that is used to directly further its mandated charity work. For example, the "good works percentage" will include funds used for activities including providing food for the hungry, providing counselling for youth, printing brochures to increase community awareness of disease symptoms and available help services.

The "good works percentage" does not include administration costs.

If a charity has a good works percentage below a 50 per cent level and still wants to hold an event on the system, it will need to provide justification for TTC review as to why the TTC should grant an exemption to their organization.

2. Add to the current list of guidelines: A charity selling third party products (flowers, chocolates, etc.) on the TTC system will be required to sign an affidavit stating that the charity receives 50 per cent or greater from the actual sale of each item.

In addition, for the sake of clarity for the TTC rider, charities selling third party products will be required to post signage that identifies the amount of the sale price that is returned to the charity.

This clarification will ensure that customers are knowledgeable about their contributions, and can make an informed choice on their charitable donation.

A charity's application for conducting a fundraising activity on TTC property will be accepted only after the completed affidavit has been returned to the TTC and approved.

JUSTIFICATION

By following the above new criteria, almost all of the charities that have previously been approved to conduct fundraising activities on TTC property will continue to do so, as their "good works percentage" is 50 per cent or greater.

Customers assume the TTC endorses the charitable activities and that the funds are put to good use and most of the price paid for a third party product goes to the charity.

The new criteria and posted information will help our customers make better decisions on where to spend their charity dollars. In 2002, TTC customers donated more than \$180,000 to various charities through fundraising activities on the TTC. The information in Appendix A will be posted on the TTC's website.

April 29, 2003

3.83.83

Attachments:

- Appendix A: Procedures/Guidelines for Charity Events

- Appendix B: Charities Conducting Fundraising Activities in the Subway – 2002

-
-
-
-
-
-
-
-
-
-
-

-

Appendix A

Guidelines for Charity Events

-

(Proposed changes in Italics)

General Charity Criteria:

Any charity being considered for approval to hold an event/fundraising drive on the TTC system must:

- Be incorporated and registered as a charitable organization under the Canada Income Tax Act
- Provide programs and services which are of a social, health, community or related nature
- Meet a vital local community need
- Be operated by a volunteer board of directors that reflects the community it serves. This board must be responsible for the development, delivery and evaluation of services and the efficient and effective management of the agency's programs and budget
- Effectively use volunteers in the delivery of service
- Be located in Toronto
- Be a charity in good standing if previously on TTC property (TTC audits record previous events)
- *Meet a "good works percentage" of 50 per cent or greater according to current reports listed on the Canada Customs and Revenue website*
- *Return 50 per cent or greater of the sale price, paid by TTC customers for any third party product, to the charity*
- An individual charity can only be allowed one event per year (except under special circumstances)

-
-
Appendix B

Charities Conducting Fundraising Activities in the Subway -- 2002

Name of Charity	Activity
Alzheimer Society of Toronto	Donations for ribbons
Heart & Stroke	Donations; Information distribution
Raising the Roof	Selling toques
CNIB	Selling crocuses

Second Harvest	Donation collection
Woodgreen Youth/Community	Information distribution
Schizophrenia Society	Information distribution
Canadian Cancer Society	Selling daffodils/Donation for ribbon
Parkinsons	Donations for ribbons
Multiple Sclerosis	Selling carnations
Epilepsy	Selling gladioli
Arthritis	Donations for information
Senior Link	Donations for book marks
Children's Aid	Donations for ribbons
Girl Guides	Selling cookies
Royal Canadian Legion District D (Poppy Campaign)	Donations for poppies
Sunnybrook Foundation	Selling red noses
Covenant House	Selling pins
The December 6 Fund	Donations for buttons/information
Eva's Initiatives	Donations
Salvation Army Ontario Division	Donations: Christmas kettle