



A Gift Giving Program for Sport in Saskatchewan

Information Package



Dear Provincial Sport Organization:

Raising money for amateur sport is entering a new era. Although traditionally very successful in generating funds, Provincial Sport Organizations are realizing the effects of increased fund raising competition while the demand for service continues to increase. Sport groups are being forced to become more creative and strategic in their revenue generating approach.

One of the keys to the financial stability of sport in the future will be generating new dollars. We must identify new revenue sources to diversify the sport's funding portfolio. Such a source is charitable giving and planned gifts.

The "**Sport Legacy Fund**" program has been developed to assist Sask Sport Inc. member organizations in implementing a gift giving campaign. The **Sport Legacy Fund** capitalizes on the strength and integrity of the sport federation while enabling individual organizations to implement sport specific campaigns.

The **Sport Legacy Fund** will encourage individuals who have benefited from sport or those who believe in the value of sport to give something back for current and future generations. Donations of cash, monthly or annual contributions, gifts in kind or planned gifts will be requested. A complementary "donor incentive program" has also been developed to assist Provincial Sport Organizations in attracting donors. Donor recognition and significant tax savings further add to the attractiveness of contributing to the Fund.

To date, over 450 donors have contributed in excess of 3.2 million to 35 different sport organizations. The potential is exciting.

The attached package is intended to provide an orientation to the Sport Legacy Fund and the policies involved with the program. For further information regarding the program or to schedule a presentation at your next board meeting, please feel free to contact me at (306)780-9336 or email dkleisinger@sasksport.sk.ca.

Sincerely,

Dean Kleisinger
Fund Development Manager, Sask Sport Inc.

Description

The Sport Legacy Fund is a fund raising program established for the continued and future development of amateur sport in Saskatchewan. It represents the culmination of sport-specific funds established by each participating provincial sport organization. Participation in the program is voluntary and available to members in good standing with Sask Sport Inc.

The Sport Legacy Fund provides an opportunity for individuals who have benefited from sport or those who believe in the value of sport to contribute financially to sport programs for current and future generations. Cash donations, monthly/annual contributions, planned financial gifts (i.e. life insurance policies, interest free loans, bequests, etc.) or gifts in kind are encouraged. Contributions result in recognition and significant tax savings for the donor.

Funds raised are used to ensure quality sporting opportunities will continue to be available to everyone in Saskatchewan. Each participating organization may develop directed program(s) within their respective fund to channel dollars toward specific causes. For example, a scholarship fund may be established to assist athletes to continue to meet both sport and academic goals, a Canada Games fund may be established to cover costs of team development, or a basic legacy fund may be used to cover ongoing operational costs. The applications are bounded only by the creativity of the Provincial Sport Organization.

Definitions

A **cash donation** refers to an outright gift of a lump sum, monthly contribution, or annual contribution. Cash donations provide the fundamental donor data base from which a large scale legacy program can be developed.

A **gift in kind** is a donation of property other than cash (e.g. a gift of real estate or art). These types of gifts will require the evaluation of an independent appraiser for tax receipt purposes. Certain types of gifts such as gifts of time or service, payment of admission or membership fees, or gifts of little or no value are not eligible for a charitable tax receipt.

A **planned gift** is any contribution which results from a donor's careful consideration of how the transfer of a gifted asset will affect current financial planning and long-range estate planning.

*Gifts/donations must be voluntary and the transfer of a gift cannot be made with expectation of receiving a benefit or return.

Critical Factors for Success

Several factors have been identified as critical to the successful implementation of the Sport Legacy Fund as a major fund raiser for sport in Saskatchewan. These success factors are relevant to each Provincial Sport Organization's gift giving program.

- **Integrity and Professionalism**
Sound policies that support program integrity and professional implementation are necessary to gain donor confidence and a positive program reputation.
- **Defined Program Goals**
Donors are more likely to contribute to a program with a defined cause or goal rather than simply contributing toward general revenue.
- **Committed Donor Base**
Securing board members, past presidents, employees, or prominent figures in the organization as committed donors does much to enhance the confidence of prospective donors.
- **Consistent Program Administration**
Clear and concise program administration confirms donor confidence.
- **Consistent Program Promotion**
A common promotional plan for the Sport Legacy Fund allows for economies of scale and consistent messages to the membership.
- **Data Base Management**
Maintaining accurate information regarding donors and prospective donors allows for accurate donor communication and confirms efficient program administration.
- **Fair and Consistent Donor Recognition and Donor Communication (stewardship)**
Donor recognition and stewardship is critical to maintaining donor confidence and encouraging repeat donations.
- **Efficient Program Delivery**
Displaying efficient program delivery confirms donor trust regarding the need and end use of dollars raised.
- **Member Organization Support**
Positive support from the sporting community will build program momentum, enhance program promotion and attract potential donors.

Support Program

Objectives:

The objectives of the Sport Legacy Fund Support Program are as follows:

- To facilitate a “turn key” fund raising program for Provincial Sport Organizations.
- To ensure the critical success factors outlined for the program are achieved.
- To assist organizations in tailoring the Sport Legacy Fund to meet their specific needs.
- To ensure the critical success factors outlined for the program are achieved.

Benefits:

The Sport Legacy Fund Support Program offers the following resources and services to participating organizations:

- Sport Legacy Fund image and promotional material on a cost recovery basis (i.e. brochures, posters, donor cards provided on a cost recovery basis).
- Donation administration
- Donor data-base management
- Donor consulting on a request basis
- Volunteer/staff education - Each participating organization will be offered consultation in customizing the Sport Legacy Fund to meet the organization’s fund raising and donor needs.
- Basic donor recognition program
- Basic donor stewardship plan
- Complementary programs that support critical success factors of the Sport Legacy Fund.

Requirements of Participating Organizations:

Approval by motion of the board of directors to participate in the Sport Legacy Fund.
(See sample motion attached to this document.)

- Establish a ‘cause’ and ‘annual program goals’.
- Appoint a volunteer(s) and/or paid staff to the administration of the Sport Legacy Fund.
- Adopt and administer policies and procedures that support the integrity of the Sport Legacy Fund.
- Ensure donors are offered appropriate and consistent recognition for their contributions.
- Promote the Sport Legacy Fund in a manner consistent with the image established for the provincial program.
- Consider establishing programs that will compliment the goals of the Sport Legacy Fund, (e.g. donor incentives, employee gift matching, past president incentives, etc.)

Donor Incentive Program

Purpose:

- The Sport Legacy Fund Incentive Program is designed to assist member organizations to attract donors of cash or planned gifts.

Eligible Donations:

- Gifts involving a minimum cash contribution of \$10 per month or \$120/year.
- Gifts naming Sask Sport Inc. and/or member organization(s) as the beneficiary.
- Lump sum donations, bonds, monthly/annual donations, life insurance, paid-up life insurance policies and interest free loans are eligible gifts for the incentive program.
- Gifts must be deferred for a minimum period of five years or applied toward a life insurance policy.
- Donors must designate the end-use of the donation, (e.g. scholarship, training, etc.) This donation must be made voluntarily without any conditions and with no expectation of return to you (or related parties) as a result of your contribution.
- Donations must originate from an individual or family to be eligible (corporate or business donations are not eligible).

Description:

- An additional 20% of the total value of the donation (**up to a maximum of \$10,000**) will be contributed by Sask Sport Inc. in the name of the donor **in any one fiscal period**.
- Incentive dollars will be contributed at the time of donation but will be deferred for a period of five years.

Procedures:

- Donations will be received and invested in accordance with the guidelines established by Canada Revenue Agency and the Sport Legacy Fund.
- Donors will only receive a receipt for their portion of the donation.
- Each plan will be evaluated individually to determine eligibility for the incentive program. Sask Sport Inc. reserves the right to refuse any request for the incentive program based on the above criteria, however, every attempt will be made to maintain the best interest of the donor and the beneficiary organization.
- This program is available to Provincial Sport Organizations and is effective for the first year of the organization's Legacy program. Continuation of the incentive program will be evaluated annually.

Employee* Donor Incentive Plan

Purpose:

- To encourage employees of sport organizations to contribute to the Sport Legacy Fund of their employer.

Eligible Donations:

- Gifts made by employees of Sask Sport Inc. or employees of a member Provincial Sport Organization naming their respective employer as the beneficiary.
- Cash donations of not less than \$10/month or \$120 annually up to \$5,000 annually.
- Matched donations must be invested for a minimum of five years or applied toward a life insurance policy.
- Employees must designate the end-use of the donation, i.e. scholarship, training, etc.

Description:

- Sask Sport Inc. will contribute 50% of the total donation amount in the name of that employee when that employee designates a gift to their employer. The employee will receive a receipt for their portion of the donation.
- Employees are under no obligation to contribute and may discontinue contributions at anytime.
- Cash donations must originate from the staff person.
- This program is available to Provincial Sport Organizations for the first year of the organization's Legacy program. Continuation of the program will be evaluated annually.

Note * Employees are defined as those individuals employed either full-time, part-time or contractually by a Sask Sport Inc. member Provincial Sport Organization or Sask Sport Inc. itself. Employees of clubs, leagues, teams, etc. are not eligible.

Recognition Plan - The Donor Club

Purpose:

- To fairly and equitably recognize the contributions of all donors.
- To reward donors and reinforce positive feelings about their donation.
- To motivate new donors and encourage repeat donations.
- To meet the individual recognition needs of donors.

Description:

- The Sport Legacy Fund Donor Club is a sport federation based donor recognition program. All donors making a contribution to member organizations of Sask Sport Inc. will be recognized in accordance with the following policy.
- Donors will be recognized for the present value of a gift, i.e. a life insurance policy of \$25,000 will be recognized as a gift of \$25,000.
- All donors will be recognized for the culmination of their donations to the Sport Legacy Fund. For example, if an individual makes a donation of \$5,000 in 1998 they will be recognized at that time for the donation. If that same individual makes an additional donation of \$25,000 in 1999, it will be recognized as a \$30,000 contribution. A data base will be maintained to track donors and their ongoing donations. Donations may be made to any number of Sask Sport Inc. member organizations.
- The Sport Legacy Fund Donor Club shall represent the individual interests of the donor. Standard recognition tools may be modified or omitted where appropriate, to meet the needs of the donor, i.e. a donor may wish to remain anonymous.

All donors making contributions of \$240 to \$4999 will receive the following basic recognition:

- Letter of recognition from the Sask Sport Inc. President or Provincial Sport Organization President.
- Recognition at the Sask Sport Inc. Annual Meeting
- Membership in the Donor Club
- Formal presentation of the respective donor club pin at a time and place appropriate to the donor

Planned gifts of \$5,000 to \$19,999 will receive the following additional recognition:

- Recognition as a "Sport Benefactor"
- Recognition on the Donor Wall

Planned gifts of \$20,000 to \$99,999 will receive the following additional recognition:

- Recognition as a "Major Contributor"
- Recognition on the Donor Wall
- Gift Item

Planned gifts of \$100,000 will receive the following additional recognition:

- Recognition as a “Patron of Sport “
- Recognition on the Donor Wall
- Gift Item

Stewardship Plan

Purpose:

- To maintain ongoing positive relations with the Sport Legacy Fund.
- To encourage and foster repeat donations.
- To ensure each donation is managed in accordance with the donor’s wishes.
- To report to the donor the impact the gift has had on the organization and/or the periodic investment growth on a deferred gift.
- To ensure the donor continues to have positive feelings about the organization.
- To confirm the trustworthiness of the organization in managing the donor’s gift.

Description:

- “Thank you” letter and receipt - All donors will receive a thank you letter and receipt (for tax purposes) representing all contributions received. At that time the donor will be asked if he/she wishes to make an additional donation.
- Donor Newsletter - provided to all donors outlining current events in the sport federation.
- “Season’s Greetings” cards - provided to all donors of \$240 or more annually.
- Other - depending upon the age, motivation and needs of the donor, additional activities may be undertaken; i.e. statements indicating financial performance of the gift, personal phone calls, periodic meetings, names of or details on gift beneficiaries, etc. This will be determined with the donor.

Sample Motion Approving the Sport Legacy Program

That the (Provincial Sport Organization) support and participate in the Sport Legacy Fund program.

That the (Provincial Sport Organization) agrees to the following requirements for participation:

- To adopt and support the program policies
- To establish a ‘cause’ and ‘annual program goals’
- To appoint a volunteer(s) and/or paid staff to administer the program
- To promote the Sport Legacy Fund in a manner consistent with the image established for the program