



***WHAT IS COMMUNITY INVESTMENT?
VALUATION VOTE PREPARATION***

Stephanie Robertson
Founder and CEO
December 18, 2018

SiMPACT.

ISSUE 1 FOR DECEMBER 2018 VOTE



#	Type of issue	Valuation consideration	Example(s) brought forth	Questions for Consideration	Background Information	LBG Canada Precedents	Discussion Notes	Committee Recommendation
9	Valuation	<p>Disaster relief to small business</p> <p>https://en.wikipedia.org/wiki/2016_Louisiana_floods</p>	Support for Louisiana businesses after the 2016 floods	<p>Equipment for first responders is eligible, regardless of who they are helping.</p> <p>In Louisiana, many homeowners and businesses did not have insurance, because they were not situated on flood plains. Does disaster relief matters - if it to a business versus an individual?</p>	<p>Canada and the world are experiencing and increasing amount of weather-related disasters.</p> <p>Should disaster relief to small business be counted as community investment, in the same was as relief to individuals and communities?</p>	<p>Currently no real precedents, although membership fees to Chambers of commerce (or similar) organizations are not considered eligible, nor is economic development. Community economic development would be eligible.</p>	<p>Disaster response a growing reality and demand on all funders.</p> <p>In all likelihood, the small businesses designated for support would have some tie to the business, which is very different from the circumstances of a non-profit involved in service delivery within an affected area.</p>	<p>No - support for businesses after the flood would be an important CSR decision, but not eligible for claim as a community investment.</p>

ISSUE 2 FOR DECEMBER 2018 VOTE



#	Type of issue	Valuation consideration	Example(s) brought forth	Questions for Consideration	Background Information	LBG Canada Precedents	Discussion Notes	Committee Recommendation
33	Valuation	High value support of performance events, (opera, ballet, art shows, concerts) - where a ticket would otherwise need to be purchased	<p>Tickets & tables valuation percentages are applied to banquets, galas, golf tournaments - to reflect CRA guidelines.</p> <p>When a sponsorship valuation is applied, this would include any benefits that the company would have received as a sponsor.</p>	When a sponsorship valuation is not appropriate (i.e. the company is one of many sponsors) should the tickets & tables valuation be used, to reflect tickets being given in exchange for the sponsorship?	<p>Many companies support the arts and events where a ticket would normally be required to access the event.</p> <p>They are typically one of a number of sponsors. Therefore the brand recognition benefit does not warrant applying the sponsorship valuation.</p>	Tickets, tables and golf tournaments have a pre-determined % of the ticket price deducted from the total eligible amount - to reflect CRA guidelines that acknowledge the company has received a benefit.	<p>Need to remember that organizations have these types of events in order to generate the revenues they need to operate.</p> <p>In all likelihood, for 25% expense per dollar, 75% of every dollar raised in this type of format would end up being allocated to programming.</p> <p>For this reason, while the tickets & tables approach is on the right track, it shouldn't be applied to 100% of the investment but to the 25% required to put on the event.</p>	<p>Yes, apply tickets & tables valuation but only to a portion, i.e. 25% of the total amount.</p> <p>This would only apply to support for artistic and events-based programming where there is no community sponsorship valuation process required.</p>

ISSUE 3 FOR DECEMBER 2018 VOTE



#	Type of issue	Valuation consideration	Example(s) brought forth	Questions for Consideration	Background Information	LBG Canada Precedents	Discussion Notes	Committee Recommendation
35	Volunteering	Volunteer participation in marathons & walkathons	Many companies encourage employees to participate in community events such as marathons and walkathons, in order to raise money for charity.	<p>Should the actual time walked or marathoning be counted as volunteering? What about time fundraising from others?</p> <p>Should that be included in company totals reported re: employee participation and non working hours volunteered?</p> <p>Should that volunteer time be eligible for matching?</p>	<p>At present, time contributed to walk or run on behalf of a community event is not tracked volunteering.</p> <p>And yet, these event may take a lot of time finding sponsors, training and then multiple hours the day of the event.</p>	<p>Time devoted to supporting community agencies is considered volunteering.</p> <p>Many different types of volunteering counts. Should this type of voluntary effort also be considered volunteering?</p>	<p>All the time an individual invests in acquiring sponsors, training etc., should be counted as volunteering.</p> <p>However, as soon as a race begins, that time is really about participating as an individual in the race or event.</p> <p>Would group participation be viewed differently.</p>	<p>Yes - this time should be counted as volunteering.</p> <p>A company needs to figure out the appropriate formula to calculate the number of hours per event and then report that transparently.</p>

ISSUE 4 FOR DECEMBER 2018 VOTE



#	Type of issue	Valuation consideration	Example(s) brought forth	Questions for Consideration	Background Information	LBG Canada Precedents	Discussion Notes	Committee Recommendation
36	Valuation	Blood donor clinic for employees only	Many companies allow for blood banks to be set up on work premises and encourage employees to participate/donate blood.	If the blood donor drive is only for employees, should be considered community investment?	Many companies allow for blood banks to be set up on work premises and encourage employees to participate/donate blood.	<p>Time devoted to supporting community agencies is considered volunteering.</p> <p>Many different types of volunteering counts. Should this type of voluntary effort also be considered volunteering?</p>	Despite the availability to employees only, this should be considered community investment as the company is supporting the blood collection and distribution agency to carry on with its vital work.	Yes - count whatever investment is made in supporting this activity as community investment.

FOR MORE INFORMATION

For more information about LBG Canada:

www.lbg-canada.ca

LBG Canada is facilitated by SiMPACT Strategy
Group:

www.simpactsg.com

300, 1210 8th Street SW
Calgary, Alberta
T2R 1L3
Canada
+1 (403) 444-5683

34 Park Road
Toronto, Ontario
M4W 2N4
Canada
+1 (416) 642-5461

[Email: admin@simpactsg.com](mailto:admin@simpactsg.com)