

Powell River Dollars

Instructions for Non-Profits

System Registration

You can register by filling out a printed form, or online at

<http://powellrivermoney.ca/powell-river-dollar/registration-form-for-non-profits-pr/>

When you first register as a non-profit on the PR\$ system, a non-profit account will be created for you. You will receive an email with your user ID and password and login instructions. Please save the email for future reference. You may want to bookmark/favorite the login page.

Receiving Donations in PR\$

As local businesses register with and use the PR\$ system, they will make donations to non-profits, and some of those donations will come to you since you're on the list. You can also actively encourage businesses to register and make a PR\$ donation to your organization when they do so.

Please make sure you give a receipt to businesses who donate to you - a charitable donation receipt if you are a charity, and a simple receipt if you're not. They need it to keep their books straight.

How to Obtain a PR\$ Float

Authorized users on your account can withdraw PR\$ cash from your account at any PR\$ cash point. You may want to do this if you plan to attend a community event and exchange PR\$ for CN\$ there, or to run an event where you accept or trade PR\$.

How to Deposit PR\$ Bills into Your Account

Take your bills to one of our cash points, along with your account ID. The cash point will accept the bills and credit the amount to your account, giving you a receipt for the transaction.

What to do with PR\$

Here's a list of ideas for ways you can use PR\$:

- Trade them for CN\$ with your supporters
- Use them at local businesses to buy things:
 - Buy from local suppliers, producers and manufacturers
 - Hire local tradespeople
 - Buy artwork from local artists
 - Buy local farm produce
 - Pay local service providers
 - Buy local advertising
 - Pay for printing and publicity
- Sponsor an event
- Pay staff bonuses (not regular wages)
- Pay volunteer honorariums
- Use as prizes in fundraising raffles, silent auctions, etc
- Donate to other related non-profits, charities, sports teams, schools, etc
- Use as matching funds for grant applications

Trading PR\$ for CN\$

One of the best ways to make use of your PR\$ is to trade them for CN\$ with your supporters.

There are many ways to do this:

- Some will happen without any effort on your part, because when someone buys PR\$ at a cash point they choose which non-profit to buy from - and your group will be on that list. (You don't need to supply a receipt to these folks: they have a receipt from the cash point for their trade, and since it *is* a trade, not a donation, you don't need to issue a donation receipt.)
- Take PR\$ to community events and sell them to visitors for CN\$
- Promote PR\$ to your members and supporters: ask them to buy PR\$ from you for CN\$
- Ask regular donors to increase their CN\$ contribution and give them back PR\$ for the extra amount.

See below for more information on donations and receipts if you are a charity!

How to Pay for Goods and Services Using Your PR\$ Account

You can pay with PR\$ directly from your online account to another online account.

- Sign in to your account using the login URL, user ID and password listed in your registration email.
- Click the Make Payment icon
- Enter the user ID of the person, business or group you want to pay
- If you have a choice of transaction types, choose the appropriate one
- Enter the amount you want to pay, and choose PR\$ if you have a choice (you may be offered the choice to use PRLETS\$ if you have a LETS account).
- Choose whether to schedule the payment for a future time, or pay immediately
- Enter a description of the payment if you wish.
- Click the Submit button.

Notes for Charities

This information is correct to the best of our knowledge, but if you are a charity, you or your accountant should confirm its correctness before relying on it for tax purposes.

When a business makes an initial donation of PR\$ to you, this is a genuine donation and should receive a charitable donation receipt.

However, trading PR\$ for CN\$ is not a donation, it's a trade. So someone who gives you CN\$ and receives PR\$ in return will not be eligible for a charitable donation receipt. Some individuals may see this is a barrier, but in practice most people do not give enough to charity for their donations to make any difference on their tax return.

Accounting and Bookkeeping

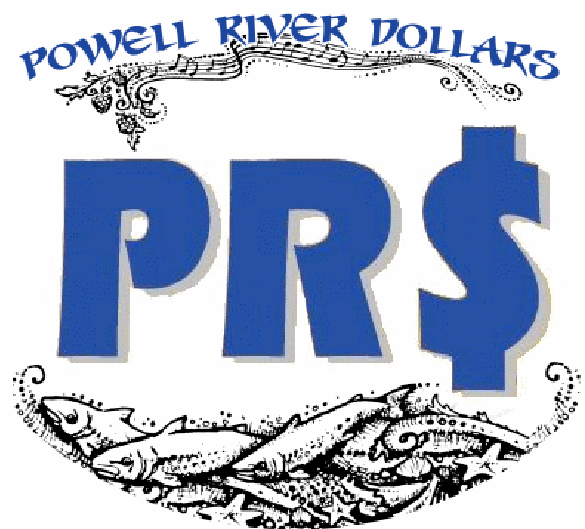
PR\$ are treated just like CN\$ from the point of view of tax liability. If you manage your use of

PR\$ just as you use CN\$ then you should have no problems with the tax authorities. See Canada Revenue Agency – IT490 for more detail.

You will need at least one additional account in your chart of accounts, for your PR\$ online account. This account can be of the same type as your regular bank account. You may also need a PR\$ cash account to record petty cash.

Any time you receive PR\$ in payment, or use PR\$ to pay an expense, the accounting entry will involve either your PR\$ online account or a PR\$ cash account. The other side of the entry will use one of your regular income or expense accounts, exactly as if the income or expense was in CN\$. Since $1\text{PR}\$ = 1\text{CN}\$$, there's no need to deal with multiple currencies or exchange rates. However, if you want to keep very close track of your PR\$ use and your software provides for multiple currencies, you can use that feature, with an exchange rate of $1\text{PR}\$ = 1\text{CN}\$$.

Payments to staff – It is not legal to offer staff wages in PR\$ rather than in legal tender. It is legal to augment existing payments with bonuses in PR\$ – but this MUST be by staff consent. Note that such payments increase the tax liabilities of staff, and so should always be provided with enough CN\$ to meet the tax and other deductions incurred.



Experience of a non-profit in the Comox Valley

This information comes from Caila Holbrook of charity Project Watershed, Business Manager of their social enterprise The Mapping Centre, and Estuary Working Group co-ordinator.

Community Way is the name of the local currency in the Comox Valley which works the same way as the PR\$, and CW\$ is the shorthand for their dollar.

Telephone: 250-792-2873

Email: maps.projectwatershed@gmail.com

Web: <http://projectwatershed.ca/>

Quick facts about Project Watershed's experience with community way.

- Project Watershed has received over CW\$14,000 over the past year and a half from a variety of local businesses including a copy centre, restaurants, coffee shops etc...
- We have used approximately CW\$10,000 - spent \$7,500 and exchanged \$1,500 (we exchanged \$1,000 in a single event. The event was a music fest held by another organisation. This is the largest sum of money in any currency we have ever made at a single event we did not run.)
- Spending the money has not been a problem - the businesses on the system accept it from us and even businesses not on the system accept it (all we usually have to do is ask)
- We also gave one of our employees the task of managing CW\$ and paid her for that time in CW\$. It took her 2hrs/week. We did have to pay her MERC's in Canadian.
- Our account is open and any new business can donate to us when they register. Since businesses are registering all the time we often have new donations appearing in our account for very little effort on our part.
- I have done various forms of fundraising - grant applications, events etc... community way is by far the easiest to do - after setting

up the system in your accounting and everyday activities it is almost no extra effort to maintain.

- We use MYOB for our books and set up CW\$ as if it were a separate bank account and keep track the same as we do for Canadian
- I also keep my own record to make sure everything added up correctly and this was just an excel spreadsheet with a place to record expenses, income, exchange and cash on hand.
- CW\$ can be used as matching funds for grant applications.
- CW\$ is not free money but it is the next best thing for a non profit. It allows members/ business of the community to support our work without burdening them financially.