Ethical Fundraising Policy

*Last updated April 2021*

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| --- | --- | --- | --- |
| Policy number | [insert number] | Version | [insert number] |
| Drafted by | [insert name] | Approved by Board on | [insert date] |
| Responsible person | [insert name] | Scheduled review date | [insert date] |

### Introduction

* 1. The Board of [Organisation] is committed to ensuring that fundraising activities are carried out in an ethical manner.
  2. This policy applies to the Board, casual, permanent and contract staff and volunteers.

### Purpose

The purpose of this document is to identify [Organisation]’s position on fundraising practice and to document the standards expected in raising funds from the community.

### Policy

* 1. [Organisation]’s guiding fundraising principle is a simple one – we will only use techniques that we would be happy to be used on ourselves or those close to us.
  2. In doing so, [Organisation] will adhere to the following standards:
* Fundraising activities carried out by [Organisation] will comply with all relevant laws.[[1]](#footnote-2)
* Fundraising activities will only be conducted in locations where [Organisation] is permitted by law to conduct those activities. Any fundraising activity carried out online will be conducted from a location where [Organisation] is permitted to conduct fundraising. If [Organisation]’s fundraising campaign is broader than the State or Territory in which it is authorised to fundraise. [Organisation] will consider whether further permissions are required.
* Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and not deceptive or misleading.
* Fundraising activities will be undertaken in a manner that affords care and respect to the people that the funds are intended to assist. Conduct that will ensure this standard is met includes, but is not limited to:
  + seeking permission for the use of beneficiary images and/or personal information
  + consultation with beneficiaries to ensure they are being represented as they wish to be

Conduct that will be avoided in order to ensure this standard is met includes, but is not limited to:

* + highlighting or focusing on the impairment, dependency or disability of a beneficiary
  + the use of disparaging language or imagery regarding the beneficiary
  + stating or implying a falsehood regarding a beneficiary
* Fundraising material will clearly state the purpose for which the fundraising appeal is being conducted and will include a statement that, if the funds raised exceed the amount needed for the stated purpose, those funds will be applied in accordance with [Organisation]’s stated mission and purpose.
* All monies raised via fundraising activities will be applied in accordance with the statements included in fundraising material.
* Any restriction placed by a donor on the use of donated funds will be respected, or the donation returned.
* [Organisation] will report to its members, stakeholders, and donors on the outcomes of fundraising activities and on the expenditure of these funds.
* All personal information collected by [Organisation] is confidential, is not for sale or to be given away or disclosed to any third party without consent, and will otherwise be handled in accordance with applicable law.
* Anyone directly or indirectly employed by or volunteering with [Organisation] is not permitted to accept any commission, bonus or payment for fundraising activities on behalf of [Organisation].
* No general solicitations shall be undertaken by telephone or door-to-door.
* Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of [Organisation].
* Financial contributions from companies, organisations and individuals that the Board has reason to consider unethical will not be accepted. Companies and organisations specifically excluded from making financial contributions to [Organisation] include [pharmaceutical/gambling/tobacco/alcohol companies].
  1. Any employee or volunteer breaching these standards shall be subject to applicable sanctions.

## Ethical Fundraising Procedures

|  |  |  |  |
| --- | --- | --- | --- |
| Procedure number | [insert number] | Version | [insert number] |
| Drafted by | [insert name] | Approved on | [insert date] |
| Authorised person | [insert name] | Scheduled review date | [insert date] |

### Responsibilities

* 1. The Board is responsible for the implementation and review of this policy.
  2. All Board members, casual, permanent and contract staff and volunteers are responsible for adhering to this policy.

### Processes

* 1. A Fundraising Sub-Committee will be formed to oversee the major fundraising tasks. The Fundraising Sub-Committee will report regularly to the Board, including tabling of meeting minutes at Board meetings.
  2. All fundraising activities must have the prior approval of the Board, as recorded in Board meeting minutes.
  3. A statement estimating income and expenses will be prepared prior to the commencement of any new fundraising activity that may present a financial risk to [Organisation]. Fundraising activities should not be undertaken if they will expose the organisation to significant financial risk.
  4. The Fundraising Sub-Committee will be the first point of reference for any complaints about [Organisation]’s fundraising. The Sub-Committee will conduct a preliminary investigation into the complaint and report its findings to the board.

### Related Documents

[Board Fundraising Policy](https://communitydirectors.com.au/policies/board-fundraising-policy)

[Investment Planning Policy](https://communitydirectors.com.au/policies/investment-planning-policy)

[Code of Ethics](https://communitydirectors.com.au/policies/code-of-ethics)

About this document

This policy sample has been developed by the [Institute of Community Directors Australia](https://www.communitydirectors.com.au?utm_campaign=policybank&utm_medium=doc&utm_source=website&utm_content=template) (ICDA), with the help of [Maddocks](https://www.maddocks.com.au/), and is free for any not-for-profit organisation to download and use, so long as it is for a non-commercial purpose and that the organisation is not paying a consultant to carry out this work. [See here](http://www.ourcommunity.com.au/general/general_article.jsp?articleId=2153#16) for our full copyright guidelines.

### Important notes

You should not rely on these sample policies and procedures alone. They are a starting point, but you will have to adapt them to suit your own language and requirements.

Most samples include both policies and procedures (the policies provide guidance on standards, while procedures give instructions on implementing standards). We recommend adopting policies at a board level, while procedures can be developed/signed off by the organisation's CEO.

We use the term ‘Board’ to cover boards, committees of management, or anybody that has final authority in your organisation. The term ‘CEO’ extends to executive directors, or your chief administrator. You should change the terms in these policies to match those used in your organisation.

### Other policies

There are numerous policies available on the [Community Directors website](https://communitydirectors.com.au/tools-resources/policy-bank). You can hunt for what you need with our site search function.

### Make a deposit

If you have some great policies that your organisation thinks would be of use to other groups, email them to [service@ourcommunity.com.au](mailto:service@ourcommunity.com.au). We'll review them, amend them so that they're applicable to the greatest number of not-for-profits possible, push them into our format, and load them up.

### Join us!

ICDA is a best-practice governance network for the directors serving on Australia’s 600,000 not-for-profit boards, committees and councils, and the senior Workers who support them.

ICDA members get access to a range of educational, capacity building and networking opportunities that build knowledge, connections and credentials.

If you appreciated this free policy, we would appreciate your ongoing support by joining ICDA from only $65 p.a

### The benefits of membership

1. Receive ‘responsible person’ status – ICDA members are recognised by the ATO under ‘responsible person’ rules
2. Recognition – three membership post-nominal options, providing community and professional recognition for educated and engaged not-for-profit members
3. Capacity building publications – current trends, issues and emerging areas of risk via member-only newsletters governance help sheets
4. Policy alerts – receive notification when changes are made to governance, human resources, financial management, values and communications policies you’ve downloaded through the Policy Bank
5. Preferential member pricing – members receive discounts for the Festival of Community Directors events and online Compact Courses
6. Alumni events – access to deep connections and a vibrant network of believers and doers. There’s an online forum, as well as regular invitations to events like Communities in Control Conference
7. Access to forums, networks, information and opportunities – boost your confidence (and competence) and open career doors
8. Budget-friendly – for as little as $65 a year you get all the benefits outlined above and so much more.

### Legal advice at a pre-agreed price

Please note that this is a template policy for guidance only. For assistance in tailoring this policy to suit your organisation, or for legal advice at a pre-agreed price or training in this area, please do not hesitate to contact Our Community’s preferred legal supplier [Maddocks](https://maddocks.com.au).

E: [NFPHelp@maddocks.com.au](mailto:NFPHelp@maddocks.com.au) | W: <https://maddocks.com.au>

1. Where, as in online fundraising, the rules are ambiguous or undefined, [Organisation] will follow general practice and make any necessary corrections once a specific rule has been established. [↑](#footnote-ref-2)