

INSERT AGENCY NAME

Fundraising Policy

Revised: INSERT DATE

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I PRINCIPLES

- to ensure ethical fundraising
- to set out appropriate gift acceptance criteria
- to set out donors' rights regarding: disclosure; privacy; sale of donor lists; complaints procedure
- to set out financial management & reporting of funds raised
- to ensure legal review & risk analysis
- to comply with Canada Customs & Revenue Agency requirements

II POLICY

Fundraising Purposes

- 1) Funds raised for or donated to a particular project or special event may be used for that purpose. Any excess or surplus funds remaining after the event or project is finalized, shall be used for XXX general purposes unless other arrangements have been approved by the Board of Directors.

Fundraising Practices

- 2) Fundraising solicitations on behalf of XXX will:
 - be truthful;
 - accurately describe XXX's activities and the intended use of donated funds; and
 - respect the dignity and right to privacy of those who benefit from XXX's activities.

Use Of Professional Fundraisers/Consultants

- 3) XXX may use volunteers and employees who solicit or receive funds on behalf of XXX.
- 4) Volunteers and employees who solicit or receive funds on behalf of XXX shall:
 - adhere to the provisions of this *Fundraising Policy*;
 - act with fairness, integrity, and in accordance with all applicable laws;
 - cease solicitation of a prospective donor who identifies the solicitation as harassment or undue pressure;
 - disclose immediately to XXX any actual or apparent conflict of interest; and,
 - not accept donations for purposes that are inconsistent with XXX's objects or mission.
- 5) Compensation policies for fundraisers will be consistent with XXX's policies and practices that apply to non-fundraising personnel.

Gift Acceptance Criteria

- 6) XXX will not accept funds or gifts-in-kind which were, in XXX's opinion, raised or manufactured in an unethical manner, or which raise human rights concerns.
- 7) XXX will not accept gifts that include restrictions that are too onerous, too costly or which are, in XXX's opinion, unethical or give rise to human rights issues.
- 8) XXX may fundraise using 'gaming' such as: bingo; raffles; Nevada tickets; Monte Carlo nights; and/or 50/50 draws, as permitted by law.
- 9) The following planned gifts must be reviewed and approved by the Board. Before acceptance, relevant information about the gift shall be ascertained, including a copy of any appraisal secured by the donor. XXX also reserves the right to secure its own appraisal.
 - Outright gifts of real estate, tangible personal property, partnership interests, and other property interests not readily negotiable
 - Residual interest gifts
 - Charitable remainder trusts.
- 10) Outright gifts of cash, life insurance, and reinsured gift annuities do not require approval by the Board. Any gift, however, may be referred to the Board if subject to possibly unacceptable restrictions.
- 11) XXX will not issue gift annuities but may accept assets from a donor, pursuant to an agreement authorising XXX to:
 - a) use a portion of the assets to purchase a commercial annuity paying a stipulated amount to the donor and/or other annuitant; and, not sure what all this means?
 - b) retain the remaining assets for charitable purposes.

Donors Lists

- 12) XXX will not sell its donor list[s].
- 13) If applicable, any rental, exchange or other sharing of XXX's donor list will exclude the names of donors who have so requested (as provided in Appendix 'A,' below).
- 14) If a list of XXX's donors is exchanged, rented or otherwise shared with another organization, such sharing will be for a specified period of time and a specified purpose.
- 15) Some Donors will request that their contribution is advertised; XXX will post a list of such donors to the website.

Use of Website

- 16) XXX's website may be used for the following fundraising purposes:
 - a. To cultivate donors by keeping them up-dated on XXX's plans, activities, financial situation, fundraising initiatives, etc;
 - b. To develop chat-rooms or other methods to exchange information and comment on matters of importance to the organization, its community, its membership and its donors;
 - c. To solicit for donations and to raise funds, including through sponsorships;
 - d. To build a "mailing list" and to identify any donors interested in 'planned giving'
- 17) XXX will not use 'cookies' to collect personal information.

Financial Accountability

- 18) XXX's fundraising will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of provincial and federal regulators.
- 19) All donations will be used to support XXX's objects, as registered with CCRA.
- 20) All restricted or designated donations will be used for the purposes for which they are given. If necessary due to program or organizational changes, alternative uses will be discussed where possible with the donor or the donor's legal designate. If the donor is deceased or legally incompetent and XXX is unable to contact a legal designate, the donation will be used in a manner that is as consistent as possible with the donor's original intent.
- 21) Annual fundraising reports will provided to the XXX Board of Directors, which will:
 - be factual and accurate in all material respects;
 - disclose:
 - the total amount of fundraising revenues (receipted and non-receipted);
 - the total amount of fundraising expenses (including salaries and overhead costs);
 - the total amount of donations that are receipted for income tax purposes (excluding bequest commitments, endowed donations that cannot be expended for at least 10 years, and gifts from other charities);
 - accounting separately for restricted funds, pledges and endowments

- the total amount of expenditures on charitable activities (including gifts to other charities);
 - any complaints arising as provided in Appendix A, para 17; and
 - a review of the cost-effectiveness of the fundraising program.
- identify government grants and contributions separately from other donations; and
 - be prepared in accordance with generally accepted accounting principles and standards established by the Canadian Institute of Chartered Accountants, in all material respects.

Legal Review & Risk Analysis

Special Events

22) Special events at XXX may include a fundraising aspect. The following points will be canvassed in any special event planning:

- need for permits [liquor; street closing]
- risk identification and risk management
- insurance coverage
- security & personal safety
- child care
- emergency planning
- incident reporting system

Fundraising Campaigns

23) Specific fundraising campaigns may be organized at XXX. Fundraising campaigns must be relevant to XXX's mission, reflects its needs and resources, as well as its legal authority and mandate.

24) See Appendix 'C' for the points that must be addressed in any fundraising campaign. A campaign plan addressing these points must receive prior approval from the Executive Director before any fundraising campaign may begin.

III DONOR RIGHTS

Donor Rights Generally

25) All donors to XXX (individuals, corporations, and foundations) are entitled to receive an official receipt for income tax purposes for the amount of the donation. Twenty-five dollars (\$25.00) is the minimum amount for the automatic issuance of receipts.

26) Donors of non-monetary eligible gifts (or gifts-in-kind) are entitled to receive an official receipt that reflects the fair market value of the gift. If valued over \$1000.00, an independent evaluation will be required.

27) All fundraising solicitations by or on behalf of XXX will disclose XXX's name and the purpose for which funds are requested. Printed solicitations (however transmitted) will also include XXX's address and other contact information.

28) Donors and prospective donors are entitled to the following, promptly upon request:

- XXX's most recent annual report and financial statements as approved by the governing board;

- XXX's charitable registration number (BN) as assigned by CCRA;
 - any information contained in the public portion of XXX's most recent Charity Information Return (form T3010) as submitted to CCRA;
 - a list of the names of the members of XXX's Board of Directors; and
 - a copy of this *Fundraising Policy*.
- 29) Donors and prospective donors are entitled to know, upon request, whether an individual soliciting funds on behalf of XXX is a volunteer, an employee, or a hired fundraiser.
- 30) Donors will be encouraged to seek independent advice if XXX has any reason to believe that a proposed gift might significantly affect the donor's financial position, taxable income, or relationship with other family members.
- 31) Donors' requests to remain anonymous will be respected.
- 32) The privacy of donors will be respected. Any donor records that are maintained by XXX will be kept confidential to the greatest extent possible. Donors have the right to see their own donor record, and to challenge its accuracy.
- 33) If XXX exchanges, rents, or otherwise shares its fundraising list with other organizations a donor's request to be excluded from the list will be honoured.
- 34) Donors and prospective donors will be treated with respect. Every effort will be made to honour their requests to:
- limit the frequency of solicitations;
 - not be solicited by telephone or other technology;
 - receive printed material concerning XXX.

Donor Complaints

- 35) XXX will respond promptly to a complaint by a donor or prospective donor about any matter that is addressed in this *Fundraising Policy*.
- 36) A designated staff member or volunteer will attempt to satisfy the complainant's concerns in the first instance.
- 37) A complainant who remains dissatisfied will be informed that he/she may complaint to XXX Board, in accordance with the *XXX Complaints Policy*.
- 38) XXX's Board of Directors will be informed at least annually of the number, type and disposition of complaints received from donors or prospective donors about matters that are addressed in this *Fundraising Policy*.

Appendix B

XXX Fundraising Campaign Checklist

1. identify why campaign needed:
 - special project:_____;
 - capital campaign;
 - endowment; or,
 - combination of the above
2. set campaign goal: \$_____.
3. assess fundraising strategies:
 - grants
 - personal solicitations
 - door-to-door canvassing
 - direct mail
 - telemarketing
 - advertising
 - sale of goods/services
 - special events
 - corporate sponsorships
 - planned giving
 - charitable gaming
 - product sales
4. prepare the draft case for support, including identifying how the campaign may:
 - increase public awareness of XXX or charitable purpose or issue;
 - attract new members or volunteers
 - build a donor base for future use
 - support or enhance XXX's reputation;
 - identify and rate prospective donors;
5. conduct a feasibility & legal review– an assessment of the legal risk including:
 - analysis of XXX's corporate documents; by-laws & relevant policies;
 - identification of any legal restrictions, prohibitions or requirements [e.g. - any licenses or permits required]
 - registering under the *Gaming Control Act* if any gaming involved in the campaign
 - review any potential violations of copyrights or trademarks
 - ensure any transfers are voluntary with no benefit provided to the donor or person selected by the donor, unless the gift is of nominal value
 - risk management – obtain any necessary liability insurance
 - see paragraph 29 of policy regarding special events
 - any other specific measures to ensure adequate oversight of the campaign
6. donor assurances:
 - what will funds be used for?
 - what will happen to the funds if the campaign is oversubscribed or cancelled? [e.g. - returned to donor? used for similar projects or purposes at the discretion of XXX?]
7. identify campaign leadership – honorary chair?
8. identify resources needed and develop a budget – ensure that cost of fundraising is no more than twenty-five per cent (25%) of funds raised
9. develop a campaign action plan: who will do what, when, and where

10. implement the campaign:
 - recruit and train volunteers
 - ensure for any product sales disclosure of:
 - name of charity
 - price of product, and
 - any material restrictions, terms or conditions
 - ensure for any lottery or gaming:
 - that delivery of a prize or benefit is not conditional on any prior payment
 - adequate disclosure of:
 - # of prizes
 - values of prizes
 - the areas they relate to and
 - any facts within person's knowledge that affects materially the chances of winning
 - cultivate donors and prospective donors
 - secure the donations
 - follow up on prospective donors
 - donor appreciation
 - collect donations
 - following up on pledges
 - ongoing monitoring, accounting [books & records]and reporting of results
 - plan for approval of adjustments where necessary;
11. the post-mortem review:
 - did it meet the objectives?
 - identify strengths, opportunities and weaknesses for future campaigns
 - was campaign consistent with established policies?
 - did campaign enhance the clinic and/or its reputation?
 - was campaign carried out in accordance with the law and ethical standards?
 - were corrections made where necessary to do so?
12. written report to the Board of Directors:
 - summary of the campaign
 - amount raised?
 - did it meet the objectives?
 - was it consistent with established policies?
 - did it enhance the organization

Appendix D Definitions

bequests – a gift by will of money or personal property [disposition of realty in a will is termed a "devise"]

charitable remainder trust – a form of a residual interest gift. The donor ("settlor") transfers property to a trustee who holds and manages it. If the property is income-producing, the net income will be paid to the donor and/or other named beneficiary. When the trust terminates (either at the death of the beneficiary(ies) or after a term of years), the trust remainder is distributed to XXX. If the trust is irrevocable, the donor is entitled to a gift receipt for the present value of the residual interest.

restricted contributions – external restrictions on uses, either a particular purpose like a building fund, or certain uses may be prohibited

endowment contributions – a specific type of restricted contribution, in that the endowment fund is permanent, and only the revenue [interest earned] can be used

unrestricted contributions – can be used for any charitable purpose or activity within the organization

eligible gifts – gifts-in-kind permitted by CCRA. A full definition can be found in CCRA's Interpretation Bulletin dealing with gifts and official donation receipts. Some common gifts, such as donations of volunteer time, services, food, etc. are not eligible.

gifts – includes cash, publicly listed securities, reinsured gift annuities, bequests, gifts of residual interest, charitable remainder trusts, gifts of life insurance policies and proceeds, and such other gift arrangements as the Board of Directors (hereinafter "the Board") may from time to time approve.

gift annuity – a contractual arrangement whereby a donor transfers assets to XXX pursuant to an agreement authorising XXX to purchase a commercial prescribed annuity that will pay the stipulated amount for the life of the annuitant(s) or for a term of years. Assets in excess of the amount required for purchase of the commercial annuity are retained by XXX and used for purposes specified by the donor and acceptable to XXX. Determination of the gift receipt and taxation of annuity payments will be in accordance with the Canada Customs and Revenue Agency guidelines.

frugging –fundraising under the guise of conducting market research or public opinion polls

planned giving – a philanthropic program by which a donor can arrange a substantial gift to XXX for either a future or a current need. The emphasis is on planning and is focused on financial, estate and tax planning.

outright gift – a contribution of cash or property that the donor gives and retains no interest in and which can be used currently by XXX. Securing outright gifts is XXX's highest priority, and donors who are able to make outright gifts will be encouraged to do so.

publicly-traded securities – includes stocks, bonds, mutual fund units and shares listed on a public exchange

residual interest – an arrangement (ordinarily in the form of a trust) where property is irrevocably committed to XXX, but the donor retains use of the property for life or a term of years. For example, the donor might give a residual interest in a residence and continue to live in it or in a painting and retain possession of it. The donor is entitled to a gift receipt from XXX for the present value of the residual interest in accordance with CCRA (Canada Customs and Revenue Agency) guidelines.