



## **Ethical Fundraising and Donor Accountability**

### **I. RATIONALE FOR POLICY**

The support of donors and sponsors is at the core of Children Believe's ability to deliver on its mission to support children around the world to overcome barriers and access education so they can be a voice for change. Aligned with our organizational values of respect and integrity, we strive to ensure that all our philanthropy efforts merit the respect and trust of our stakeholders and the general public, and that our donors and prospective donors can have full confidence in Children Believe. Fundraising is one of the possible income generation sources for a charity such as Children Believe. Children Believe may consider a variety of fundraising methods, seek to fundraise from a variety of potential donors and seek to fundraise for a variety of purposes.

### **II. POLICY OBJECTIVE**

Children Believe will maintain high standards of integrity and stewardship in its fundraising practices at all times. When Children Believe undertake fundraising activities, its fundraising shall be conducted in a responsible manner, consistent with the ethical obligations of stewardship and all applicable law.

The objective of this policy is to provide the board of directors and staff of Children Believe with general direction to follow in its fundraising practices, and to ensure sound financial accountability and fundraising practices of Children Believe.

To these ends, this policy sets the mandatory parameters that will ensure that Children Believe's fundraising programs and activities:

- (1) Are conducted with the highest standards of integrity and stewardship in both its active fundraising and related communication activities and its acceptance of donations;
- (2) Align our mission, vision and values;
- (3) Comply with all applicable legal and regulatory requirements; and
- (4) Adhere to the standards established by sector organizations to which Children Believe is a member (i.e. Association of Fundraising Professionals Canada, Imagine Canada Standards Program, Cooperation Canada Code of Ethics, ChildFund Alliance Fundraising Standards, Canadian Centre for Christian Charities, or any other standards Children Believe may adhere to from time to time.)

### **III. POLICY SCOPE**

This policy applies to all staff, volunteers or any other third parties who engage in fundraising activities on behalf of Children Believe.

### **IV. POLICY DETAILS**

**All fundraising practices undertaken by or on behalf of Children Believe shall meet the following standards:**

1. Volunteers, staff or third parties who solicit or receive funds on behalf of Children Believe must:
  - act with fairness, integrity, and in accordance with all applicable laws;

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- adhere to the standards of the Association of Fundraising Professionals Canada, Imagine Canada Standards Program, Cooperation Canada Code of Ethics, ChildFund Alliance Fundraising Standards, Canadian Centre for Christian Charities, or any other standards Children Believe may adhere to from time to time;
  - cease solicitation of a prospective donor who identifies the solicitation as harassment or undue pressure, or who states that he/she does not wish to be solicited;
  - disclose immediately to Children Believe any actual or apparent (perceived) conflict of interest or loyalty; and,
  - not accept donations for purposes that are inconsistent with Children Believe's mission.
2. All fundraising solicitations by or on behalf of Children Believe must:
    - be truthful;
    - accurately describe Children Believe's activities;
    - disclose Children Believe's name;
    - disclose the purpose for which funds are requested;
    - disclose, upon request, whether the individual or entity soliciting donations is a volunteer, employee or contracted third party;
    - include Children Believe's address or other contact information in any written solicitations by or on behalf of Children Believe; and
    - refrain from any negative advertising or criticize other organizations to benefit Children Believe.
  3. Fundraising solicitations will preserve the dignity and protect the safety and privacy of those that Children Believe strives to support.
    - Children Believe will not exploit its beneficiaries.
    - Solicitations shall be accurate and current in their portrayal of conditions involving families and children depicted in these materials and fairly represent their needs and how these needs will be addressed.
    - Solicitations shall portray beneficiaries (whether using graphics, images or text) in a respectful and dignified way, reflecting their role as equal partners in their own development.
  4. Children Believe will not make claims that cannot be upheld or are misleading. Any visual images used for fundraising purposes must accurately reflect the current work of Children Believe.
  5. Children Believe does not, directly or indirectly, pay finder's fees, commissions or percentage compensation based on contributions.
  6. When conducting face-to-face solicitations (e.g., door-to-door campaigns, street-side fundraising) Children Believe must:
    - provide verification of the affiliation of the person representing the organization; and,
    - secure and safeguard any confidential information, including credit card information, provided by donors.
  7. Should Children Believe undertake cause-related marketing in collaboration with a third party, it must disclose in all related materials how the organization benefits from the sale of products or services and the minimum or maximum amounts payable under the arrangement. If no minimum amount is payable, the organization should disclose this.

### **Children Believe will treat donors with respect, gratitude and consideration by upholding to the following donor rights:**

8. Donors shall be entitled to receive an official tax receipt for all eligible donations made to Children Believe. In some cases, the value noted on the receipt will be the amount of the donation, less the fair

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market value of an incentive received by the donor. Children Believe may establish a minimum amount for the automatic issuance of official receipts, in which case smaller contributions will be receipted only upon request. Refer to details in our *Income Tax Receipt and Acknowledgement Policy*.

9. Children Believe will honour donors' and prospective donors' requests to:
  - limit the frequency of solicitations;
  - not be solicited by telephone or other technology;
  - receive printed material concerning the organization; and
  - discontinue solicitations where it is indicated they are unwanted or a nuisance.
10. Children Believe respects the privacy of its donors and the confidentiality of their information as outlined in our *Privacy Policy*.
11. Children Believe does not sell, buy, rent, exchange, or otherwise share donor lists.
12. When Children Believe conducts online solicitations, its practices shall comply with *Canada's Anti-Spam Legislation*, its *Privacy Policy*, the Office of the Privacy Commissioner ("OPC") Guidelines for obtaining meaningful consent and the OPC Guidance on inappropriate data practices.
13. Children Believe will keep all donor personal information secure and strictly confidential in accordance with its *Privacy Policy* in place from time to time. Children Believe will use donor personal information only for purposes consistent with this *Ethical Fundraising and Donor Accountability Policy* and with its *Privacy Policy* and will not use or disclose any donor personal information for other purposes except as permitted by law or with the consent of the person to whom the donor personal information relates.
14. Children Believe's practices shall include measures to provide verification of the affiliation of any person representing Children Believe and to secure and safeguard any personal or confidential information, including credit card information, provided by donors, in accordance with Children Believe's *Privacy Policy*.
15. Children Believe's *Privacy Policy* is available upon request and may also be found on its website.
16. Children Believe may choose to seek donations from a wide range of sources to enable it to carry out its charitable activities. Children Believe may consider a variety of reasonable and appropriate fundraising methods including, without limitation, fundraising through third party fundraising platforms such as GoFundMe (GFM), which provide the technology that enables Children Believe and third-party individuals to fundraise for Children Believe events and campaigns.

Children Believe will make donors aware that GFM or other third party fundraising platforms that provide services to it from time to time will collect personal information from donors and that Children Believe has no control over and is not responsible for how such third parties collect, use or disclose donor personal information. Children Believe will make donors aware that they should familiarize themselves with the third parties' privacy policies and terms of use before making a donation to Children Believe through such third party platforms.
17. Designated donor gifts will be used in accordance to donor wishes as per our *Gift Acceptance Policy*.
18. Children Believe honours donors' requests to remain anonymous in relation to:
  - being publicly identified as a supporter of Children Believe; and/or
  - having the amount of their contribution publicly disclosed.

19. Donors will be provided with a mechanism to file complaints related to our fundraising practices and are entitled to receiving response.

**Children Believe is committed to fundraising accountability and transparency and upholds the following principles:**

20. Children Believe may seek to fundraise for a variety of purposes including:

- for its general purposes;
- for special projects or initiatives; and
- fundraising for gifts that are subject to restrictions, as more fully described in Children Believe's gift acceptance policy.

21. All donations will be used in accordance with Children Believe's charitable purposes.

22. All donations will be used in accordance with donor's express intentions.

23. Children Believe will spend the maximum amount possible of available resources for the purposes for which they were given. To this end, the Board of Directors will regularly review the cost-effectiveness of the organization's fundraising programs to minimize administration and fundraising expenses as much as possible are at the lowest possible percentage required that allows for effective management and resource development and do not exceed 30% of the total annual revenue.

24. Children Believe reserves the right to increase the monthly donation amount for its child sponsorship program, to ensure children continue to receive the basic necessities provided through this program. CB will provide donors with prior notice before any proposed increase is implemented. CB will obtain donor consent to any increase in the monthly sponsorship amount through an 'opt-out' process.

25. Children Believe combines donor contributions through our Child Sponsorship Program to increase our impact and establish a trusted presence in the communities we serve. Sponsorship contributions are pooled centrally, and used to fund programs benefiting sponsored children, their families and communities. This approach promotes community development that benefits not only the sponsored child, but the whole community.

26. We will report to donors on the use of their funds and the results of the project(s) for which their contributions were used.

27. We will accurately and transparently disclose information that speaks to how we use the funds entrusted to us by our generous donors. Such information includes but is not limited to annual audited financial statements, annual reports, Registered Charity Information Return (T3010), complaints policy, privacy policy, and investment policy. Children Believe shall provide, promptly upon request, the following information:

- its best available information on the gross revenue, net proceeds and costs of any fundraising activity (including the fundraising costs categorized as education and/or public awareness) it undertakes;
- its most recent annual report and financial statements as approved by its Board of Directors;
- its registration (BN) number as assigned by the Canada Revenue Agency ("CRA");
- any information contained in the public portion of its most recent Charity Information Return (Form T3010A) as submitted to CRA;
- the names of the members of its governing board; and
- a copy of this *Ethical Fundraising and Donor Accountability Policy*.

28. Children Believe’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 *Ethical Fundraising and Donor Accountability Policy*.

## V. POLICY AUTHORITY AND OFFICERS

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| a. Authority to approve this policy:  | Board of Directors                      |
| b. Executive champion of this policy: | Chief Marketing and Development Officer |
| c. Authority to develop procedures:   | Chief Marketing and Development Officer |
| d. Authority to approve procedures:   | Executive Leadership Team               |

## VI. IMPLEMENTATION, MONITORING, COMPLIANCE AND REPORTING

The Executive Champion is responsible for the implementation of this policy including its publication, communication, training and change management, development and implementation of the related policy procedures, forms and guidelines as well as cascading the policy to Country Offices (where applicable).

The Approval Authority identified in Section Va is ultimately responsible for compliance with this policy.

The Executive Champion will report on compliance with this policy to the policy Approval Authority on a quarterly basis.

## VII. POLICY REVIEW

This policy and related procedures must undergo an in-depth review every 3 years, but may be reviewed at any time as needed.

The Executive Champion will initiate and lead the policy or procedure review process and will provide updates to the Approval Authority on the progress and key dates.

## VIII. RELATED DOCUMENTS

In support of this policy, the following are referenced:

- Gift Acceptance Policy
- Children Believe Donor Bill of Rights
- Income Tax Receipting and Acknowledgement Policy
- Privacy Policy
- Investment Policy
- Complaints Policy

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## DEFINITIONS

**Executive Leadership Team (ELT):** The most senior level of staff leadership within Children Believe comprised of the Chief Executive Officer (CEO), Chief Operating Officer (COO), Chief Marketing and Development Officer (CMDO), Chief International Programs Officer (CIPO) and Chief People & Culture Officer (CPCO). The CEO may alter the composition of the ELT as required from time to time. One person may hold more than one position.

**Executive Champion:** A member of the ELT with overall responsibility for an assigned policy including: drafting, carrying out appropriate consultations / assessment, evaluating implications of the policy including risks and costs and seeking legal advice where necessary, developing and carrying out the communication, change management and implementation plan, writing any related procedures, standards or guidelines, monitoring compliance through regular reviews of the policy as well providing oversight to cascading the policy to Country Offices.