



Fundraising Institute Australia

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Principles and Standards of Fundraising Practice

Ethical and best practice guidelines
for professional fundraisers

Code of Acceptance and Refusal of Donations

The purpose of the Code of Acceptance and Refusal of Donations is to give a member of FIA who is a Fundraiser or a Director of an Organisation a guide to make clear and consistent decisions regarding the acceptance and refusal of a Donation from a Donor.

Irrespective of any internal delegation procedures within an Organisation, ultimate responsibility in respect of the acceptance and refusal of Donations rests with an Organisation.

Advancing Professional Fundraising

1. To whom does this Principle apply?

- 1.1 This Principle applies to FIA members. The FIA can only monitor this Principle and enforce it if necessary against FIA members.
- 1.2 FIA encourages Directors and Fundraisers of an Organisation who are not members of FIA to adopt the Principles and Standards of Fundraising Practice. FIA also encourages an Organisation to engage Directors and Fundraisers who have adopted the Principles and Standards of Fundraising Practice.

2. Definitions

Beneficiary	means any person or entity which receives a benefit from an Organisation in pursuance of the Organisation's objects.
Child or Children	means a child under the age of 18.
Corporation	means an entity incorporated under the Corporations Act 2001 (Cth) and established for the purpose of profit.
Complaint	means a notice in writing sent by any person to FIA, by way of a completed FIA Complaints Form, concerning an alleged breach by an FIA member of any part of the FIA Principles and Standards of Fundraising Practice.
Director	means a person who is appointed or elected to the position of a director of an Organisation or a Corporation.
Donation	means a voluntary contribution by a Donor of money, property, goods or services to an organisation for the purpose of furthering that organisation's objects. It does not include a sponsorship or community business partnership.
Donor	means an individual or other entity that makes a contribution of value to an Organisation to further the Organisation's Objects. A Donor includes prospective Donors and an individual or entity that has previously made a Donation. A Donor does not include an individual or entity that engages with an Organisation for the purpose of trade.
Ethics Committee	means a committee established by the FIA Board pursuant to the Constitution for the purposes of making determinations on Complaints.
FIA	means Fundraising Institute Australia.
FIA member	means a person or organisation who is registered as an FIA member.

Fundraiser	means a person, Corporation or Organisation, who carries out activities, whether for remuneration or as a volunteer, for the purpose of raising Donations for the Objects of an Organisation.
Fundraising Activity	means an activity carried out by a person, Corporation or Organisation, whether for remuneration or as a Volunteer, for the purpose of raising funds for the Object of an Organisation.
Objects	means the objective, purpose or cause, however so defined in an Organisation's constituent documents.
Organisation	means an entity incorporated under Commonwealth, State or Territory legislation and established for a purpose other than profit.
Professional Misconduct	means conduct by an FIA member that is a violation of the Principles and Standards of Fundraising Practice that has serious adverse consequences to a Complainant or was committed intentionally by the Fundraiser or both.
Promotional Material	means any material in connection with a Donation, Fundraising Activity or an Organisation whether in printed, electronic or verbal form made available by a Fundraiser or Organisation to any person.
Sponsor	means a third party who sponsors a Fundraising Activity for an agreed outcome.
Supplier	means a third party supplying goods or services for payment to a Fundraiser and/or Organisation.
Tax	means all taxes payable in connection with a Fundraising Activity, including without limitation income tax, pay as you go (PAYG) and good and services tax (GST).
Trade Mark	means a word or group of words, logo, image, colour, scent or shape (whether registered or unregistered) used by an Organisation to identify the Organisation.
Unsatisfactory Conduct	means conduct by a FIA member that is neglectful of the Principles and Standards of Fundraising Practice or that has minor adverse consequences to a Complainant or both.
Volunteer	means a person who performs a service for an Organisation without requiring compensation for performing the service.

3. Establishing a policy on the acceptance or refusal of a Donation: what Directors must consider

3.1 To the extent that they are empowered to do so, a Director must ensure that the Organisation for whom they serve as a Director develops and approves a policy under which the Organisation may accept or refuse a Donation from a Donor.

3.2 In developing and approving such a policy, a Director may consider:

- a) this Code of Acceptance and Refusal of Donations;
- b) the Objects of the Organisation;
- c) the mission (no matter how defined) of the Organisation;
- d) compliance of the policy with any legislation;
- e) Directors' legal obligations to the Organisation;
- f) the reputation of the Organisation and adverse reaction from existing or potential Donors.

3.3 To the extent that they are empowered to do so, a Director must ensure that the Organisation maintains a written policy authorising delegation of authority to accept or refuse a Donation to Volunteers or staff of the Organisation. Such a policy for delegation of authority must include:

- a) the position of the person to whom that authority is delegated; and
- b) the extent of that delegation, such as whether the delegation applies to large and small Donations or separate classes of Donations.

4. What must a Fundraiser consider before they accept or refuse a Donation?

4.1 A decision by a Fundraiser to accept or refuse a Donation must comply with a policy on the acceptance or refusal of a Donation approved by the Organisation for whom they serve.

- 4.2 A Fundraiser must ascertain whether a policy on the acceptance or refusal of a Donation has been approved by the Organisation for whom they serve.
- 4.3 A Fundraiser must:
 - a) ascertain the extent of their authority to accept or refuse a Donation; and
 - b) ascertain the process for referral where their authority is exceeded with the Organisation for whom they serve.
- 4.4 A Fundraiser must not allow personal, political or commercial interests, or personal views on political or ethical issues to affect their decision to accept or refuse a Donation.
- 4.5 A Fundraiser must derive no personal material benefit from a Donation received by their Organisation.
- 4.6 A Fundraiser must decline any personal material benefit offered by a Donor in relation to a Fundraising Activity. Where the Fundraiser has a personal or commercial relationship with a Donor which existed before the Donation was sought, and has accepted a personal material benefit arising from that personal or commercial relationship, FIA may take this into account on a case by case basis if the matter is referred to FIA for review under the FIA Complaints Process.
- 4.7 On the basis of the evidence available to them, a Fundraiser must consider whether the Objects of an Organisation will be best met by accepting or refusing a Donation and decide accordingly.
- 4.8 A Fundraiser must be able to demonstrate that the evidence they used to form their decision to accept or refuse a Donation addressed the Objects of their Organisation. In particular, a Fundraiser must demonstrate evidence where:
 - a) it is not immediately clear what Objects will be addressed with the proposed Donation;
 - b) large sums of money or property are involved;
 - c) there is reason to believe that a decision taken by a Fundraiser may expose the Organisation to litigation; or
 - d) there is the threat of negative publicity to the Organisation by the refusal of a Donation.

- 4.9 A Fundraiser may accept a Donation for a specific activity conducted by the Organisation provided that that specific activity is:
- a) directly related to the Organisation's Objects; and
 - b) is practically achievable by the Organisation.
- 4.10 Despite anything else in this section, a Fundraiser may refuse a Donation for an Organisation where it is clear that:
- a) the activities of a Donor are directly opposed to the Objects of the Organisation, the publicly available policies of the Organisation or to the Beneficiaries of the Organisation; or
 - b) the activities of a Donor are incompatible with the Objects of the Organisation; or
 - c) the cost to the Organisation of accepting a Donation will be greater than the value of the Donation itself; or
 - d) acceptance of the Donation will directly lead to a net decline in the asset base of an Organisation; or
 - e) the offer of a Donation is dependent upon the fulfilment of certain conditions by the Organisation, where the conditions are:
 - (i) contrary to the taxation status of the Organisation regarding receipt of a Donation (if any);
 - (ii) in itself, contrary to the Objects of the Organisation;
 - (iii) in itself, contrary to the current policies or work priorities of the Organisation; or
 - (iv) requires the Organisation to first spend its own money or resources.

5. Compliance and Management of Complaints

- 5.1 A Director and a Fundraiser must comply with:
- a) the *Trade Practices Act 1975* (Cth) and State and Territory Fair Trade Acts, in particular those sections relating to, unconscionable conduct, misleading and deceptive conduct and false and misleading representations;
 - b) anti-discrimination legislation regarding decisions based on race, sex, marital status, disability or religious belief;
 - c) the National Privacy Principles; and
- 5.2 The Organisation and the Fundraiser should ensure that the Organisation complies with any legislative restrictions on who may give financial and taxation advice to members of the public.
- 5.3 Complaints concerning the Principles and Standards of Fundraising Practice or the conduct of a FIA member will be determined by the FIA Ethics Committee in accordance with the FIA Complaints Process