

POLICY:

Ethical Fundraising and Financial Accountability



Policy Statement:

A. Donors' Rights

1. All donors (individuals, corporations, and foundations) are entitled to receive an official receipt for income tax purposes for the amount of the donation. 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. (Note: "Eligible gifts" are defined in Revenue Canada Interpretation Bulletin IT-110R2 or its successor.) *Tax receipts will automatically be issued for all donations over \$25 within 30 days and smaller donations will be receipted only upon request.*

Interpretation: Management must adhere to these fundamentals regarding donors' rights. Systems must be in place internally to support issuing receipts.

Proof/compliance: The Executive Director carries this responsibility. All donors (individuals, corporations, and foundations) are entitled to receive an official receipt for income tax purposes for the amount of the eligible gift donation. Software is in place to assist staff to steward this responsibility. Staff are assigned for this function.

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

Interpretation: Transparency is required when we present ourselves as a charitable organization to the community.

Proof/compliance: All fundraising solicitations by or on behalf of The Community YWCA of Muskoka will disclose the Community YWCA of Muskoka's name, the purpose for which funds are requested and the estimated fund raising target.

3. Donors and prospective donors are entitled to the following, promptly upon request:
 - The Community YWCA of Muskoka's most recent annual report and audited financial statements as approved by the governing board, available on our web site www.ywcamuskoka.com;
 - The Community YWCA of Muskoka's registration number (BN) as assigned by Revenue Canada
 - Any information contained in the public portion of the Community YWCA of Muskoka's most recent Charity Information Return as submitted to Revenue Canada;
 - A list of the names of the members of the Community YWCA of Muskoka's governing board; and
 - A copy of this Ethical Fundraising & Financial Accountability Code.

Interpretation: Compliance with and transparency about ethical practices are a requirement of doing business as a charity.

Proof/compliance: Board has policy regarding ethical fundraising.

4. Donors and prospective donors are entitled to know, upon request, whether an individual soliciting funds on behalf of The Community YWCA of Muskoka is a volunteer or an employee.

Interpretation: Donors deserve to know with whom they are dealing.

Proof/compliance: Volunteers and staff present themselves as agents of and provide supporting documentation.

5. Donors will be encouraged to seek independent advice if The Community YWCA of Muskoka 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.

Interpretation: We will treat our donors with respect and the Community YWCA of Muskoka will not give financial or tax advice.

Proof/compliance: Executive Director encourages donors to seek independent advice as required.

6. Donors' requests to remain anonymous will be respected.

Interpretation: Anonymity means no one reveals the identity of the donor.

Proof/compliance: Access to donor information is restricted to authorized personnel as determined by the Executive Director.

7. The privacy of donors will be respected. Any donor records that are maintained by The Community YWCA of Muskoka will be kept confidential to the greatest extent possible. Donors have the right to see their own donor record, and to challenge its accuracy.

Interpretation: Staff have a responsibility to steward the donor, including respecting privacy.

Proof/compliance: Donor records are kept under lock and key and access limited by password on the electronic database.

8. The Community YWCA of Muskoka will not exchange, rent, or otherwise share its fundraising list with other organizations.

Interpretation: Donors have rights regarding privacy.

Proof/compliance: Our lists are not shared.

9. 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 YWCA Muskoka;
- Not be solicited.

Interpretation: Transparency, respect and common sense need to drive us in our relationships with donors.

Proof/compliance: Communication with donors will follow the fund development work plan. Donor solicitation, processes and record keeping will honour donors' requests not to

be solicited. All donor solicitation includes plans to steward donors to properly recognize and thank them.

10. The Community YWCA of Muskoka will respond promptly to a complaint by a donor or prospective donor about any matter that is addressed in this Ethical Fundraising & Financial Accountability Code. The Executive Director or her designate will attempt to satisfy the complainant's concerns in the first instance. A complainant who remains dissatisfied will be informed that he/she may appeal in writing to the Community YWCA of Muskoka's governing board, and will be advised in writing of the disposition of the appeal. A complainant who is still dissatisfied will be informed that he/she may notify the Canadian Centre for Philanthropy in writing.

Interpretation: Due process will be in place to handle complaints.

Proof/compliance: The Executive Director will deal directly with any complaint in compliance with the above-mentioned procedures.

B. Fundraising Practices

1. Fundraising solicitations on behalf of The Community YWCA of Muskoka will:
 - Be truthful;
 - Accurately describe the Community YWCA of Muskoka's activities and the intended use of donated funds; and
 - Respect the dignity and privacy of those who benefit from the Community YWCA of Muskoka's activities.

Interpretation: Honesty and respect are fundamental to our relationships with donors.

Proof/compliance: Current meetings with donors involve staff and/or Board together in open, honest conversation with donors. Fundraising reporting is transparent to the donors.

2. Volunteers and employees who solicit or receive funds on behalf of The Community YWCA of Muskoka shall:
 - Adhere to the provisions of this Ethical fundraising & Financial Accountability Code;
 - Act with fairness, integrity, and in accordance with all applicable laws
 - Adhere to the provisions of applicable professional codes of ethics, standards of practice, etc.
 - Cease solicitation of a prospective donor who identifies the solicitation as harassment or undue pressure
 - Disclose immediately to The Community YWCA of Muskoka any actual or apparent conflict of interest; and
 - Not accept donations for purposes that are inconsistent with the Community YWCA of Muskoka's objects or mission.

Interpretation: Ethical practices will pervade the organization.

Proof/compliance: Board reviews ethical fundraising policy annually. Board has a conflict of interest policy. Staff are required to sign conflict of interest documents. Staff works daily to steward relationships.

3. Paid fundraisers, whether staff or consultants, will be compensated by a salary, retainer or fee, and will not be paid finders' fees, commissions or other payments based on either the number of gifts received or the value of funds raised. Compensation policies for fundraisers, including performance-based compensation practices (such as salary

increases or bonuses) will be consistent with the Community YWCA of Muskoka's policies and practices that apply to non-fundraising personnel.

Interpretation: Payment arrangements with fund development staff will be consistent with payment arrangements for all other staff.

Proof/compliance: Staff involved in fund development is hired under and compensated with the same procedures as staff in all other areas.

4. The Community YWCA of Muskoka will not sell its donor list.

Interpretation: The standard of practice is not to share donor list or information.

Proof/compliance: We do not rent, exchange or share YWCA donor lists.

5. The Community YWCA of Muskoka's governing board will be informed of the number, type and disposition of complaints received from donors or prospective donors about matters that are addressed in this Ethical Fundraising & Financial Accountability Code during regular committee reports to the board.

Interpretation: A summary of complaints handled is included in the Annual Report to the Board on ethical fundraising.

Proof/compliance: Proof of compliance will be evident in Board reports.

C. Financial Accountability

1. The Community YWCA of Muskoka's financial affairs will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of provincial and federal regulators.

Interpretation: The Board is accountable for the responsible management of the financial affairs of the organization. Accountability is delegated to the Executive Director to meet this requirement. Board has policies to govern the financial affairs of the YWCA.

Proof/compliance: See Board policies; Quarterly Financial Reports to Board; Audited Financial Statements.

2. All donations will be used to support the Community YWCA of Muskoka's objects, as registered with Revenue Canada.

Interpretation: Stewardship of dollars will be honest and open.

Proof/compliance: See Audited Financial Statements; See Annual Report; see compliance reports to funding partners.

3. All restricted donations (accepted as part of a written agreement) will be used for the purposes for which they are given. Should program or organizational changes occur, alternative allocations will be discussed with the donor or the donor's legal designate. If no agreement can be reached with the donor or his/her legal designate about alternative uses for a restricted donation, The Community YWCA of Muskoka will return the unexpended portion of the donation. If the donor is deceased or legally incompetent and The Community YWCA of Muskoka 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.

Interpretation: Restricted donations will be used in compliance with the purpose for which they were solicited. Any change will be made in collaboration with the donor or their designate.

Proof/compliance: All donations have been used for the purpose for which they were received.

4. All designated donations will be used for the purposes for which they have been made. Should program or organizational changes occur, the Community YWCA of Muskoka will apply any unused donations to other programs in a manner that is as consistent as possible with the donor's original intent.

Interpretation: Designated donations will be used in compliance with the purpose for which they were solicited. Any change will be made in collaboration with the donor or their designate.

Proof/compliance: All donations have been used for the purpose for which they were received.

5. No more will be spent on administration and fundraising than is required to ensure effective management and resource development. In any event, The Community YWCA of Muskoka will meet or exceed Revenue Canada's requirement for expenditures on charitable activities.

Interpretation: The organization will act in compliance with these rules and expectations.

Proof/compliance: See Audited Financial Statements; see Revenue Canada's Annual Charity Information Return; see budget documents.

6. The cost-effectiveness of the Community YWCA of Muskoka's fundraising program will be reviewed regularly by the Board of Directors.

Interpretation: The Board will direct attention to time spent/resources required/dollars raised with regard to fund raising.

Proof/compliance: See Quarterly Financial reports; see annual budget preparation

Motion: That the Board of Directors approves the Ethical Fundraising and Financial Accountability policy statement submitted by the Fund Development Committee.