
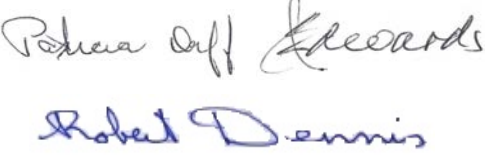


<b>MICs GROUP OF HEALTH SERVICES...</b>  <b>MICs Board of Directors</b>  	<b>TOPIC:</b> Ethical Fundraising and Financial Accountability	<b>NUMBER:</b> GOV-011
	<b>CATEGORY:</b> Finance	<b>DATE:</b> March 22, 2007
	<b>DEPARTMENT:</b> Governance	<b>REVISED DATE:</b> May 17 <sup>th</sup> , 2016
	<b>AUTHORITY:</b> MICs Board Chairs	
	<b>APPROVED SIGNATURE:</b> 	<b>LAST DATE REVIEWED:</b> May 17 <sup>th</sup> , 2016

## ETHICAL FUNDRAISING AND FINANCIAL ACCOUNTABILITY

The MICs Group of Health Services adopts the following *Ethical Fundraising and Financial Accountability Code* as its policy. Members of the governing Board commit to being responsible custodians of donated funds, to exercise due care concerning the governance of fundraising and financial reporting, and to ensure to the best of their ability that the organization adheres to the provisions of the *Code*.

### Donor's Rights

- 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.
- All fundraising solicitations by or on behalf of the charity will disclose the charity's name and the purpose for which funds are requested. Printed solicitations (however transmitted) will also include its address or other contact information.
- Donors and prospective donors are entitled to the following, upon request:
  - the charity's most recent annual report and financial statements as approved by the governing board
  - the charity's Business Number (BN) as assigned by Canada Revenue Agency (CRA)
  - a list of the names of the members of the charity's governing board and
  - a copy of this Ethical Fundraising & Financial Accountability Code
- Donors and prospective donors are entitled to know, upon request, whether an individual soliciting funds on behalf of the charity is a volunteer, an employee, or a hired solicitor.
- Donors' requests to remain anonymous will be respected.
- The privacy of donors will be respected. Any donor records that are maintained by the charity will be kept confidential to the greatest extent possible. Donors have the right to

see their own donor record, and to challenge its accuracy.

- If the charity exchanges, rents, or otherwise shares its fundraising list with other organizations, a donor's request to be excluded from the list will be honoured.
- Donors and prospective donors will be treated with respect.
- The charity 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.

### **Fundraising Practices**

- Fundraising solicitations on behalf of the charity will:
  - be truthful
  - accurately describe the charity's activities and the intended use of donated funds and
  - respect the dignity and privacy of those who benefit from the charity's activities
- Volunteers, employees and hired solicitors who solicit or receive funds on behalf of the charity 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 charity any actual or apparent conflict of interest and
  - not accept donations for purposes that are inconsistent with the charity's objects or mission
- The charity will not sell its donor list.
- The charity's governing board 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 & Financial Accountability Code.

### **Financial Accountability**

- The charity'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.
- All donations will be used to support the charity's objects, as registered with CRA.
- 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 the charity 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.

- Annual financial reports will be factual and accurate in all material respects.

## NOTES

1. The term 'Eligible gifts' is comprehensively defined by CRA. A full definition can be found in CRA'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 to receive official tax receipts.
2. No more will be spent on administration and fundraising than is required to ensure effective management and resource development. In any event, the charity will meet or exceed CRA's requirement for expenditures on charitable activities. (The *Income Tax Act* sets out a requirement that all registered charities spend 80% of their receipted donations from the previous taxation year -- excluding bequests, endowed donations that cannot be expended for at least 10 years, and gifts from other charities -- on charitable activities; in addition, charitable foundations are required to expend 4.5% of their assets in support of charitable programs.
3. The cost-effectiveness of the charity's fundraising program will be reviewed regularly by the governing board.