

Canadian Organic Growers' Ethical Fundraising Guidelines

D) Financial Accountability Code

Canadian Organic Growers hereby adopts the Canadian Centre for Philanthropy's Ethical Fundraising & Financial Accountability Code as its policy. In so doing, 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. It is hereby confirmed that each member of the governing board has received a copy of the Ethical Fundraising & Financial Accountability Code and that a copy will also be provided to each person who is subsequently elected to the governing board.

It is proposed that a charity whose governing board adopts this Ethical Fundraising & Financial Accountability Code in its entirety be authorized by the Canadian Centre for Philanthropy for a period of two years from the date of adoption to state that it adheres to the Canadian Centre for Philanthropy's "Ethical Fundraising & Financial Accountability Code". Continued authorization beyond two years would require that the governing board re-adopt the Code.

This Ethical Fundraising & Financial Accountability Code complements the professional codes of ethics and standards of practice to which many fundraisers individually adhere (such as those of the National Society of Fund Raising Executives, the Association of Healthcare Philanthropy, the Canadian Association of Gift Planners, and other national, provincial or sectoral organizations).

There are some forms of revenue-raising for which official receipts are not issue for income tax purposes (such as charitable gaming, product sales, some events organized to benefit a charity, etc). These activities may involve additional ethical considerations that are not addressed in this Ethical Fundraising & Financial Accountability Code.

Donors or prospective donors who have questions or concerns about fundraising activities should contact the charity on whose behalf the funds are being solicited. Charities that adopt the Ethical Fundraising & Financial Accountability Code are committed to deal with such queries promptly and fairly. The Charities Division of Revenue Canada also provides information and receives complaints about registered charities at 1-800-267-2384.

A. Donors' Rights

1. All donors (individuals, corporations, and foundations) to Canadian Organic Growers are entitled to receive an official receipt for income tax purposes for the amount of the donation (the donation must comply with the rules of Canada Revenue Agency) above \$20.00. 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. Some common gifts, such as donations of volunteer time, services, food, inventory from a business, etc. Are not eligible to receive official tax receipts.)
2. All fundraising solicitations by or on behalf of Canadian Organic Growers 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.
3. Donors and prospective donors are entitled to the following, promptly upon request:
 - the charity's most recent annual report and financial statements as approved by the governing board;
 - the charity's registration number (BN) as assigned by Revenue Canada;
 - any information contained in the public portion of the charity's most recent Charity Information Return (form T3010) as submitted to Revenue Canada;

- a list of the names of the charity's governing board; and
 - a copy of this Ethical Fundraising & Financial Accountability Code.
4. 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.
 5. Donors will be encouraged to seek independent advice if the charity 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.
 6. Donors' requests to remain anonymous will be respected.
 7. 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.
 8. Canadian Organic Growers does not exchange, rent, or otherwise share its fundraising list with other organizations or businesses.
 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 the charity.
 10. 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. A designated staff member or volunteer 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 charity's governing board or its designate, 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.

B. Fundraising Practices

1. 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.
2. 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.
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 charity's policies and practices that apply to non-fundraising personnel.

4. Canadian Organic Growers does not sell, rent or exchange its donor list.
5. 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.

C. Financial Accountability

1. 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.
2. All donations will be used to support the charity's objects, as registered with Revenue Canada.
3. 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 no agreement can be reached with the donor or his/her legal designate about alternative uses for a restricted or designated donation, the charity will return the unexpended portion of the donation. 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.
4. Annual financial reports will:
 - be factual and accurate in all material respects;
 - disclose:
 - the total amount of fundraising revenues (receipted and non-receipted)¹
 - the total amount of fundraising expenses (including salaries and overhead costs)²
 - the total amount of donations that are receipted for income tax purposes (excluding bequests, endowed donations that cannot be expended for at least 10 years, and gifts for other charities)³
 - the total amount of expenditures on charitable activities (including gifts to other charities)⁴
 - 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.
5. 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 Revenue Canada's requirement for expenditures on charitable activities. (In general, section 149.1 of the Income tax Act requires all charities to spend at least 80 percent of their receipted donations (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 every year to expend 4.5 percent of the value of their assets in support of charitable programs.)
6. The cost-effectiveness of the charity's fundraising program will be reviewed regularly by the governing board.

Notes:

1. Total of amounts from lines 100, 102 and 113 of T3010 (Revenue Canada's Registered Charity Information Return, 1998)
2. Amount from line 123 of T3010 (1998)
3. Amount from line 906 of T3010 (1998)
4. Total of amount from lines 120 and 121 of T3010 (1998)

II) Organizational Fundraising Guidelines

- Funding agreements with prospective funders must not conflict with the values and objectives of Canadian Organic Growers.
- Canadian Organic Growers **WILL** seek out funders with businesses and business practices that share its our values.
- Canadian Organic Growers (national office and chapters) will **NOT solicit** funds (in the form of corporate sponsorships, grants or advertising revenue) from: organizations or businesses that produce:
 - synthetic fertilizers
 - synthetic pesticides (including insecticides, herbicides, pesticides, wood preservatives, etc.), materials and products derived from genetic engineering (as defined in CAN CGSB 32.310)
 - products of nanotechnology that have been intentionally manufactured (as defined in CAN CGSB 32.310)
- Canadian Organic Growers will not solicit funds from organizations or businesses in which more than 50% of the organization's annual gross sales come from any of the products listed above.
- A DO NOT SOLICIT LIST of organizations that have been reviewed and do not meet this test will be maintained by the national organization. This list will not necessarily be made public.
- COG will develop and maintain a positive list of acceptable organizations, foundations, governments and corporations which the organization and its chapters will use for soliciting donations, sponsorships and advertising. National staff will vet each of the organizations on the list. If an organization is not on the list, staff and volunteers (both at the chapter and national level) can make a proposal to have an organization added to the list. If the organization is deemed to be critical, staff will ensure that the board makes a timely decision via email.
- The board of directors of Canadian Organic Growers reserves the right to review decisions related to accepting or soliciting funds from specific donors on a case by case basis to ensure alignment with COG's core values.
- The COG board of directors will review the DO NOT SOLICIT and the positive lists annually.