Gift Acceptance Policy

DRAFTED BY THE
FUNDRAISING COMMITTEE

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TABLE OF CONTENTS

I. MISSION .................................................................................................................................................. 1

II. GUIDELINES .......................................................................................................................................... 1

Objectives .................................................................................................................................................. 1

Responsibility to donors .......................................................................................................................... 1

- Ethical standards ................................................................................................................................. 1

- Confidentiality ...................................................................................................................................... 2

- Conflict of interest ............................................................................................................................... 2

- Professional advisers ............................................................................................................................ 2

III. GIFT ACCEPTANCE COMMITTEE ..................................................................................................... 2

Composition .............................................................................................................................................. 2

IV. GENERAL POLICY ............................................................................................................................... 2

Soliciting donations .................................................................................................................................. 2

Accepting donations ............................................................................................................................... 3

- Undesignated donations ....................................................................................................................... 3

- Designated donations ............................................................................................................................ 3

- Responsibility for donations ................................................................................................................ 3

- The administration of donations ......................................................................................................... 4

Types of donations ................................................................................................................................... 4

Treatment of donations ............................................................................................................................ 4

1. Donations in the form of cash, by cheque or by other financial instruments ...................................... 4

2. In-kind and real estate donations ....................................................................................................... 5

3. Bequests ............................................................................................................................................. 5

4. A charitable gift annuity ....................................................................................................................... 6

5. Donation of listed securities/RRSP/RRIFs .......................................................................................... 6

6. Shares in a business and/or other commercial venture ..................................................................... 6

7. Gifts of life insurance policy and/or the products of life insurance policy .......................................... 6

8. The gift of residual interest or a Charitable Remainder Trust ............................................................ 7

9. Corporate donations ............................................................................................................................ 8

10. Endowment funds ............................................................................................................................... 8

Investments ................................................................................................................................................ 8

Changes to the policy and procedures .................................................................................................... 8

APPENDIX 1 – CANADIAN ASSOCIATION OF GIFT PLANNERS .......................................................... 10

APPENDIX 2 – ASSOCIATION OF FUNDRAISING PROFESSIONALS .................................................... 11

APPENDIX 3 – CONFIDENTIALITY AGREEMENT (SAMPLE) ................................................................. 12

APPENDIX 4 – IMAGINE CANADA CODE OF CONDUCT ........................................................................ 13
I. MISSION

The Canadian Catholic Organization for Development and Peace (hereafter referred to as “DEVELOPMENT AND PEACE”), a democratic international solidarity movement, supports partners in the Global South that develop alternatives to unjust social, political and economic systems. It educates the Canadian public to the causes of poverty and mobilizes people into action for change. The organization allies itself with social movements in the North and the South in the struggle for human dignity. It supports women in their search for social and economic justice. DEVELOPMENT AND PEACE, the official organization of the Catholic Church in Canada, is based on biblical values, in particular the preferential option for the poor.

DEVELOPMENT AND PEACE is a registered charitable organization under the Canadian Revenue Agency (hereafter referred to as "CRA"). The official registration number is 11882 9902 RR0001.

II. GUIDELINES

Objectives

The guidelines outlined in this document are intended to ensure:

- Clear decision-making in the process of accepting donations;
- Meeting of all federal and/or provincial laws, regulations and requirements;
- Application of efficient administrative, legal and accounting standards;
- Accurate reporting on donations made to DEVELOPMENT AND PEACE;
- Consistent, equitable and ethical relationships with donors and sponsors.

These policies govern the acceptance and administration of all types of direct and planned donations from individuals and/or other entities. DEVELOPMENT AND PEACE’s policy is intended to inform, direct, and/or assist potential donors in any way possible. More specifically, DEVELOPMENT AND PEACE representatives are available to provide donors with technical information on giving techniques and programs that can help donors meet their objectives.

Responsibility to donors

All planned gifts that are conditioned by, or subject to, a specific agreement will be accepted by DEVELOPMENT AND PEACE staff operating under directives approved by the Fundraising Committee or the Finance and Audit Committee of the organization.

All those raising funds on behalf of the organization must adhere to the following principles in their relationship with donors:

Ethical standards

Those involved must adhere to accepted professional standards of accuracy, truth and integrity, including those prescribed by the Canadian Association of Gift Planners (CAGP) (Appendix 1), and the Association of Fundraising Professionals (AFP) (Appendix 2).
Confidentiality

All donor information is to be dealt with in a confidential manner and solely by authorized personnel. Those acting on behalf of the organization must exercise discretion and rigor in dealing with donations and donor information. In this respect, all volunteers, staff, or other DEVELOPMENT AND PEACE representatives must sign a confidentiality agreement (Appendix 3). These agreements are stored in a secure area at the organization's National Secretariat.

Conflict of interest

Individuals acting on behalf of DEVELOPMENT AND PEACE must declare any conflicts of interest should such be the case. A conflict of interest occurs when a representative of DEVELOPMENT AND PEACE attempts to sell his own products to a donor. There is no conflict of interest in a situation where a professional, as part of his function, promotes financial products that may result in a donation, or encourages a contribution to DEVELOPMENT AND PEACE.

In addition, no DEVELOPMENT AND PEACE staff, volunteer or representative will participate in the final preparation and/or execution of a donor's last will and testament, nor will they act as witnesses to any such wills.

Professional advisers

Prospective donors will be advised to consult their own professional advisor concerning their intention to donate, particularly with respect to any questions related to the acceptance or non-acceptance of a donation, or in the specific case of a planned gift, in order to ensure that they receive the best advice available. DEVELOPMENT AND PEACE's management reserves the right to use the services of a lawyer, or other professional, where it deems such a reference appropriate.

III. GIFT ACCEPTANCE COMMITTEE

Composition

The Gift Acceptance Committee is composed of the Director of Administrative Services, a Fundraising Officer and two members of the Fundraising Committee, appointed by the Director of Administrative Services.

This Committee renders the final decision on all specific donations referred to it for approval.

IV. GENERAL POLICY

Soliciting donations

Only authorized DEVELOPMENT AND PEACE representatives are officially empowered to solicit major or planned gifts for the organization. All staff, volunteers or representatives are called to communicate with the appropriate Fundraising Officer prior to any formal approach to a prospective donor.
Accepting donations

“A gift is a voluntary transfer of property without consideration.” — CRA

DEVELOPMENT AND PEACE can accept or refuse any contribution; however, donations and contributions must be made in the context of the best interests of the organization and of its mission.

Undesignated donations

Undesignated donations will be used in a way that best contributes to the furtherance of DEVELOPMENT AND PEACE’s mission.

Designated donations

Designated donations will be used exclusively for the purposes for which they were given. The designation must be compatible with DEVELOPMENT AND PEACE’s mission and compatible with its regular international program activities. All designated donation agreements must include an amendment clause, so that in the event that DEVELOPMENT AND PEACE is unable to channel the donation to the specific field or cause identified, it is able to redirect the contribution to a program or cause that is most similar to that designated, while making every effort to ensure that the donor’s philanthropic objectives are achieved.

Fundraising staff coordinate the negotiation and methodology surrounding the donation process. As required, fundraising staff will consult the appropriate departments and/or outside professionals in order to ensure that the donation meets the conditions defined.

Responsibility for donations

In the circumstance of a negotiation to accept a donation, fundraising staff must consult the Director of Administrative Services of DEVELOPMENT AND PEACE. The Director will determine whether it is necessary to defer a decision on the prospective donation to the Gift Acceptance Committee, particularly in the following situations:

- If the donation exposes the organization to any potential lawsuits, charges, obligations, debts and/or raises issues with respect to the origin of the donation or contribution;
- If the donation involves naming opportunities to recognize the donor (for example, a building or a hall) or a proposal for an appointment (for example, as a representative on the National Council);
- Due to the unfamiliar nature of the donation, which could be outside of DEVELOPMENT AND PEACE’s role or field of action.

Ultimately, the Gift Acceptance Committee can refer the donation to the National Council for final decision.

The Director of Administrative Services, or an individual designated by him, signs all contracts on behalf of DEVELOPMENT AND PEACE.

The Executive Director approves all current or future donations that require the expenditure of more than $5,000 in order to obtain the prospective benefit.
The administration of donations

All admissible donations directed to DEVELOPMENT AND PEACE must be acknowledged and registered by the organization, which will in turn issue an income tax receipt that in effect attests to the official acceptance of the donation in the circumstances of the time. At the same time, the donor can indicate that he does not require an income tax receipt. By virtue of the law, the receiving organization must have formally deposited a donation in order to issue an income tax receipt against it. This means that DEVELOPMENT AND PEACE must have received and deposited the donor's donation in order to issue an income tax receipt. DEVELOPMENT AND PEACE is not in a position to issue income tax receipts for donations deposited by a body other than itself, or if the amount is earmarked for activities other than those under the organization’s auspices. Income tax receipts are issued for the fiscal year in which the donation is received. If the donation is received after December 31st, the postal mark will be considered as the date upon which the donation was made. In addition, income tax receipts can only be issued in the name of the person making the donation. In the case of credit card contributions, the receipt will be issued in the name of the cardholder and in that of the account holder in the event of donations by cheque.

The income tax receipt and accompanying letter of acknowledgment represent the organization’s initial recognition of a donation. In addition, DEVELOPMENT AND PEACE will communicate its appreciation to donors for various types of donations in accordance with its recognition program.

Types of donations

1. Donations in the form of cash, by cheque or by other financial instruments
2. In-kind and real estate donations
3. Bequests
4. Charitable gift annuity
5. Donation of securities/RRSPs/RRIFs
6. Shares in a business and/or other commercial venture
7. Gifted life insurance policy and/or the products of life insurance policy
8. The gift of residual interest or a Charitable Remainder Trust
9. Corporate donations
10. Endowment funds

Treatment of donations

1. Donations in the form of cash, by cheque or by other financial instruments

Donations in the form of cash, by cheque, electronic transfer, credit card, and/or other financial transfer mechanisms recognized by DEVELOPMENT AND PEACE are acceptable and must be channelled to the appropriate department to be processed and recorded.
2. **In-kind and real estate donations**

In-kind donations other than contributions in the form of cash, by cheque or by other financial instruments, are also acceptable. This includes real estate, both depreciable and personal use property, residual interests, and rights of all sorts, permits/licences, and parts of commercial inventories. However, it does not include the gifting of services (See CRA).

a) **DEVELOPMENT AND PEACE** can issue tax receipts for in-kind donations to the market value of the donation at the date that it was received.

b) **DEVELOPMENT AND PEACE** is not responsible for loss, theft, or damage to an in-kind contribution retained at, or outside of, its offices.

c) Such donations must be of use to the organization or be disposable.

Real estate donations could include:

- An immediate donation
- Residual interest in a property
- The basis to fund a Charitable Remainder Trust

**Assessment of the real value of an in-kind donation**

Depending upon the nature or circumstances of the donation, and for purposes of income tax receipting, an in-kind donation must be the object of an independent appraisal of its value by a reputable expert. Except in agreed upon circumstances, the in-kind donor is responsible for the professional appraisal fees required to determine the fair market value of the gift. **DEVELOPMENT AND PEACE** reserves the right to issue a tax receipt in the amount of the assessed value of the in-kind donation as determined by a recognized expert in the field chosen by the organization.

3. **Bequests**

The organization’s official name for purposes of all wills and similar documents is “**The Canadian Catholic Organization for Development and Peace**”.

An income tax receipt will be issued to the estate of the deceased for all bequests to **DEVELOPMENT AND PEACE**. **DEVELOPMENT AND PEACE**’s legal advisor can assist in reviewing the terms of the will and in the administration of the estate, if required.

**Copy of information on bequests**

Prospective donors are invited to share information regarding a bequest with **DEVELOPMENT AND PEACE** by using its Gift Commitment Form or by providing the part of the will that includes the bequest to the organization.

**Amendment clause**

Donors designating a contribution to a specific goal should be aware that in some circumstances **DEVELOPMENT AND PEACE** has the right to modify this designation. All designated contribution agreements must contain an amendment clause.
The standard formulation for an amendment clause for a pledge is as follows:

If, in the opinion of the Gift Acceptance Committee of the **Canadian Catholic Organization for Development and Peace**, it becomes impossible, imprudent or impractical to use a given donation for the specific goal identified, the Gift Acceptance Committee can at its discretion recommend that management use the resources in the best interest of the Canadian Catholic Organization for Development and Peace while retaining the spirit and initial inspiration of the donor. Where such an alternative arrangement occurs, the contribution provided by the bequest will be clearly identified and the donor acknowledged.

4. **A charitable gift annuity**

A charitable gift annuity is an arrangement under which a donor cedes a part of his assets to **DEVELOPMENT AND PEACE** under a deed of agreement authorizing the organization to purchase a commercial annuity that provides the donor with a fixed amount for life. In accordance with Revenue Canada guidelines, the donor is eligible for a tax receipt for an amount equal to the gifted portion of the annuity (minimum 20% of the total amount). **DEVELOPMENT AND PEACE** has set the minimum amount justifying its participation in a charitable gift annuity at $10,000.

5. **Donation of listed securities/RRSP/RRIFs**

**DEVELOPMENT AND PEACE** accepts shares in private businesses listed on the Canadian or American stock exchanges. **DEVELOPMENT AND PEACE** can accept RRSPs/RRIFs. While **DEVELOPMENT AND PEACE** can be designated as the beneficiary of any such plans, it does not assume any responsibility for the plans themselves.

Donations of listed securities are assessed for income tax receipting purposes on the basis of the closing market value on the date that such stocks are received by **DEVELOPMENT AND PEACE**'s broker.

6. **Shares in a business and/or other commercial venture**

**DEVELOPMENT AND PEACE** accepts privately owned shares or other forms of participation in commercial concerns. In accepting such donations, the organization does not assume any responsibility for the enterprises involved, including requests for reimbursement.

As discussed above, the fair market value is determined by an independent assessment at the date upon which the donation was accepted. Normally, the costs of an assessment fall to the donor; however in certain circumstances **DEVELOPMENT AND PEACE** can assume these costs.

7. **Gifts of life insurance policy and/or the products of life insurance policy**

**DEVELOPMENT AND PEACE** encourages the contribution of life insurance policy. Such contributions can be made in four different ways:
a) The transfer of ownership of a paid-up life insurance policy
In this case, DEVELOPMENT AND PEACE will issue a tax receipt for the current financial year for the cash surrender value of the policy. The donor must identify the organization as the owner and irrevocable beneficiary of the policy involved.

b) The transfer of ownership of an existing policy on which premiums are still owed
Once the donor has identified the organization as the irrevocable beneficiary of the policy, DEVELOPMENT AND PEACE will issue a tax receipt for the current year for the cash surrender value of the policy. A tax receipt will also be issued for the subsequent premium payments.

c) The gift of a new life insurance policy
Once the donor has identified DEVELOPMENT AND PEACE as the owner of the new life insurance policy, he is entitled to a tax receipt for premiums paid to the insurance company or for any contributions made to the organization to cover the premiums.

d) Naming Development and Peace as primary beneficiary of a policy
By naming DEVELOPMENT AND PEACE the primary beneficiary of an insurance policy, the estate will receive an income tax receipt equivalent to the value of the policy upon the death of the policyholder.

8. The gift of residual interest or a Charitable Remainder Trust
The gift of residual interest reflects an arrangement (usually in the form of a trust) under which the donor irrevocably cedes assets to DEVELOPMENT AND PEACE, and for which the donor retains usage rights for the remainder of his lifetime, for the lifetime of a surviving beneficiary, or for a specific number of years. The donor is given an income tax receipt for the projected actuarial value determined on the basis of Revenue Canada regulations for such donations. An income tax receipt is issued at the point that the trust is created.

The gift of residual revenue or interest, and qualified trusts, must be managed by an outside administrator, and can impose no obligation or administrative responsibility with respect to the principal of any such gift on DEVELOPMENT AND PEACE.

The donor and DEVELOPMENT AND PEACE define the specificities of any such donation in an agreement. Having transferred the title of the property to DEVELOPMENT AND PEACE, the donor remains responsible for the following:

- Taxes
- Insurance
- Public services
- Maintenance costs

DEVELOPMENT AND PEACE can assume responsibility for any part of the above expenses, but reserves the right to inspect any property from time to time to ensure that its interests are being adequately protected.

DEVELOPMENT AND PEACE’s legal advisor must participate in an examination of the terms of the will and in the administration of the bequest as it relates to the gifted residual interests.
9. **Corporate donations**

In order to protect its integrity, it is important that DEVELOPMENT AND PEACE respect certain criteria in accepting solicited or unsolicited corporate donations. If, in the opinion of the Director of Administrative Services, the acceptance of a donation or benefit respects the spirit of the policy, the fundraising staff will be authorized to negotiate on behalf of DEVELOPMENT AND PEACE. Should, in the opinion of the Director of Administrative Services, an expanded consultation be required, decision-making authority is transferred to the Executive Director.

10. **Endowment funds**

DEVELOPMENT AND PEACE accepts contributions for the purposes of creating an endowment fund. Such funds can involve direct donations, donation of securities, bequests, the donation of insurance policies, or the products of these.

The creation of a designated endowment fund must be approved by the Director of Administrative Services, who, if he feels it necessary, can defer the question to the Gift Acceptance Committee.

Contributions intended to establish an endowment fund must meet the minimum requirements established by the Fundraising Committee with respect to the amounts involved.

**Investments**

DEVELOPMENT AND PEACE’s investments are invested in accordance with the policies established by the Finance and Audit Committee and approved by the National Council. DEVELOPMENT AND PEACE’s investments policies conform to the Imagine Canada Fundraising and Financial Accountability Code of Conduct (Appendix 4).

**Changes to the policy and procedures**

All of the policies and procedures are periodically reviewed by the Management Team, the Fundraising Committee and any other concerned staff member or volunteer, who work in collaboration with one another as may be required. Changes can be proposed throughout the entire year where such are deemed necessary. All changes must obtain final approval from the Fundraising Committee.
All DEVELOPMENT AND PEACE fundraising officers are members of these associations:
APPENDIX 1 – CANADIAN ASSOCIATION OF GIFT PLANNERS

CAGP-ACPDP

NEW CODE OF ETHICS
This Code of Ethics shall apply to all members of the Association.

Objectives
This Code of Ethics has been established to encourage members of the Association to adhere to certain principles, guidelines and practices in their relations with donors or prospective donors.

1. The Integrity of Members
Members shall act with competence, honesty, integrity and fairness in their relations with donors or prospective donors.

2. The Role of Members
The primary role of members is to help donors realize their philanthropic goals and to ensure that their contributions respect the objectives of the charitable organization in question.

3. Disclosure of Information
Members have a responsibility to provide donors with accurate and comprehensive information on all aspects of the gift, including the roles of all interested parties.

Members who work on behalf of a charitable organization have a responsibility to inform donors of the mission, the activities of the organization as well as its gift acceptance practices, its processing procedures and fund and endowment management policies.

4. Protection of Interested Parties
Members working for or on behalf of a charitable organization shall encourage donors to consult with their personal and professional advisors in the case of significant and complicated gift transactions. Members have a responsibility to cooperate with other professionals who promote their donor’s interests as well as those of the organization they represent.

Members shall not act for nor claim to represent a charitable organization without its knowledge or express consent. Members shall not act as donors’ representatives without the donors’ consent.

5. Terms and conditions of Gift
Members shall respect the payment schedule and contribution method chosen by donors, insofar as the methods comply with the charitable organization gift acceptance policies or guidelines. The members shall allow donors time for reflection and shall respect their decision-making processes.

Members shall obtain prior consent by the donor before altering the conditions of a gift.

6. Confidentiality
Members shall respect the donor’s request for anonymity. Donors’ files and the personal and financial information therein contained are the charitable organization’s property and shall be kept strictly confidential and in accordance with the privacy legislation in force for the particular jurisdiction.

7. Conflict of Interest
At all times, members shall avoid conflict of interest situations, potential conflict of interest situations or the appearance of conflict of interest.

Members shall notify all interested parties of any situation that may present a potential conflict of interest.

Unless circumstances are such that this becomes a requirement, members who work on behalf of a charitable organization shall not agree to act for donors on a personal basis (e.g. as liquidators or executors of wills) so as to avoid any conflict of interest.

8. Remuneration
Members who work on behalf of a charitable organization shall not accept commission based remuneration, nor finder’s fees nor shall they derive any monetary benefit from transactions concerning donations or from relationships established with donors as part of their duties.

9. Competence
Members shall be responsible for maintaining their professional skills and for upgrading their knowledge on an ongoing basis.

Members shall be obliged to be aware of and adhere to all guidelines and standards of conduct issued by the Association.

10. Complaints
The CAGP-ACPDP™ Ombudsman will be responsible for investigating complaints lodged against members.

It is recommended that members notify the CAGP-ACPDP™ Ombudsman, in writing and in confidence, of any breach of the Code of Ethics.

Should a member of the Association be involved in or the subject of a complaint, he/she shall cooperate fully with the CAGP-ACPDP™ Ombudsman in his/her investigation. Members shall respect and agree to adhere to the CAGP-ACPDP™ Ombudsman’s recommendations. The recommendations issued by the CAGP-ACPDP™ Ombudsman are strictly confidential and under no circumstances are they to be published or made public.

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10
APPENDIX 2 – ASSOCIATION OF FUNDRAISING PROFESSIONALS

AFP Code of Ethical Principles and Standards

ETHICAL PRINCIPLES
Adopted 1994, amended Sept. 2007

The Association of Fundraising Professionals (AFP) exists to foster the development and growth of fundraising professionals and the profession, to promote high ethical behavior in the fundraising profession and to preserve and enhance philanthropy and volunteerism.

Members of AFP are motivated by an inner drive to improve the quality of life through the causes they serve. They serve the ideal of philanthropy, are committed to the preservation and enhancement of volunteerism, and hold stewardship of these concepts as the overriding direction of their professional life. They recognize their responsibility to ensure that needed resources are vigorously and ethically sought and that the intent of the donor is honestly fulfilled.

To these ends, AFP members, both individual and business, embrace certain values that they strive to uphold in performing their responsibilities for generating philanthropic support. AFP business members strive to promote and protect the work and mission of their client organizations.

AFP members both individual and business aspire to:

- practice their profession with integrity, honesty, truthfulness and adherence to the absolute obligation to safeguard the public trust
- act according to the highest goals and vision of their organizations, professions, clients and consciences
- put philanthropic mission above personal gain;
- inspire others through their own example of dedication and high purpose
- improve their professional knowledge and skills, so that their performance will better serve others
- demonstrate concern for the interests and well-being of individuals affected by their actions
- value the privacy, freedom of choice and interests of all those affected by their actions
- foster cultural diversity and pluralistic values and treat all people with dignity and respect
- affirm, through personal giving, a commitment to philanthropy and its role in society
- adhere to the spirit as well as the letter of all applicable laws and regulations
- advocate within their organizations adherence to all applicable laws and regulations
- avoid even the appearance of any criminal offense or professional misconduct
- bring credit to the fundraising profession by their public demeanor
- encourage colleagues to embrace and practice these ethical principles and standards
- be aware of the codes of ethics promulgated by other professional organizations that serve philanthropy

ETHICAL STANDARDS
Furthermore, while striving to act according to the above values, AFP members, both individual and business, agree to abide (and to ensure, to the best of their ability, that all members of their staff abide) by the AFP standards. Violation of the standards may subject the member to disciplinary sanctions, including expulsion, as provided in the AFP Ethics Enforcement Procedures.

Member Obligations
1. Members shall not engage in activities that harm the members' organizations, clients or profession.
2. Members shall not engage in activities that conflict with their fiduciary, ethical and legal obligations to their organizations, clients or profession.
3. Members shall effectively disclose all potential and actual conflicts of interest; such disclosure does not preclude or imply ethical impropriety.
4. Members shall not exploit any relationship with a donor, prospect, volunteer, client or employee for the benefit of the members or the members' organizations.
5. Members shall comply with all applicable local, state, provincial and federal civil and criminal laws.
APPENDIX 3 – CONFIDENTIALITY AGREEMENT (SAMPLE)

DEVELOPMENT AND PEACE Confidentiality Agreement

Information collected and maintained in DEVELOPMENT AND PEACE’s offices, i.e. data, voice and electronic or paper lists, can include information on donors, volunteers, staff, companies, private foundations, other affiliated organizations, and on our Global South partners. Access to these files and data is limited to individuals within DEVELOPMENT AND PEACE that have "a legitimate interest in fundraising" and a need to consult donor files to carry out their professional duties to provide support to DEVELOPMENT AND PEACE’s ongoing activities. These individuals include full-time, part-time, casual, or contract staff, volunteers and others with access to this information.

As a DEVELOPMENT AND PEACE representative with direct access to privileged and/or confidential information, and in the interest of maintaining the integrity of its systems and of ensuring the safety and appropriate use of DEVELOPMENT AND PEACE’s resources, I declare and commit that:

1. I will treat the information to which I am granted access with the greatest of confidentiality. I will not share any of this information in any way with non-authorized individuals.

2. I acknowledge that any use of DEVELOPMENT AND PEACE’s administered information for my personal benefit or advantage is strictly forbidden.

3. I understand that any unauthorized copying or verbal transmission of any information contained in a file to an individual that does not have a legitimate interest without the written authorization of the donor or of the individual in question can result in disciplinary action and/or sanctions up to and including dismissal from DEVELOPMENT AND PEACE.

4. I will abide by this commitment over the duration of my contract with DEVELOPMENT AND PEACE and indefinitely after the conclusion of my responsibilities with the organization.

__________________________________________  ______________________________________
Signature employee/volunteer                 Signature immediate superior

__________________________________________  ______________________________________
Date (dd/mm/yy)                                Date (dd/mm/yy)
APPENDIX 4 – IMAGINE CANADA CODE OF CONDUCT

ETHICAL FUNDRAISING AND FINANCIAL ACCOUNTABILITY CODE

The registered charity undertakes to adhere to the standards set out in the Imagine Canada Ethical Fundraising and Financial Accountability Code in its treatment of donors and the public, its fundraising practices and its financial transparency, and to be accountable through its Board of Directors for doing so.

Approved by the Imagine Canada Board of Directors in September 2008.

A DONOR POLICIES AND PUBLIC REPRESENTATIONS

1 The charity shall prepare and issue official Income Tax receipts for monetary gifts and for gifts-in-kind pursuant to any policy established and published on minimum amounts to be receipted and in compliance with all regulatory requirements. The charity shall acknowledge in writing contributions not entitled to be officially receipted, subject to any policy established and published on minimum amounts to be acknowledged.

2 All fundraising solicitations by or on behalf of the charity shall disclose the charity’s name and the purpose for which funds are requested. Printed and online solicitations (however transmitted) shall include its address or other contact information.

3 The charity shall provide the following information 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 the Canada Revenue Agency (CRA);
   • any information contained in the public portion of the charity’s most recent Charity Information Return (form T3010A) as submitted to CRA;
   • a copy of the Charity’s Investment Policy relating to its investable assets, if applicable (see CB);
   • a list of the names of the members of the charity’s governing board; and
   • a copy of this Ethical Fundraising and Financial Accountability Code.

4 The charity or those fundraising on its behalf shall disclose, upon request, whether an individual or entity soliciting contributions is a volunteer, an employee or a contracted third party.

5 The charity shall encourage donors to seek independent advice if the proposed gift is a Planned Gift and/or the charity has any reason to believe that the proposed gift might significantly affect the donor’s financial position, taxable income, or relationship with other family members.

6 The charity shall honour donors’ requests to remain anonymous in respect to:
   • being publicly identified as a supporter of the organization; and/or
   • having the amount of their contribution publicly disclosed.

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

8 If the charity exchanges, rents, or otherwise shares its fundraising lists with other organizations, a donor’s request to be excluded from the list shall be honoured.

9 Solicitations by or on behalf of the charity shall treat donors and prospective donors with respect. Every effort shall 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;
   • discontinue solicitations where it is indicated they are unwanted or a nuisance.

10 Recognition mechanisms created due to a gift shall not be arbitrarily changed or withdrawn. Unless otherwise negotiated at the time of the gift or changed through a joint agreement between the charity and the donor or the donor’s family or legal representative, the original form of the recognition mechanism will be maintained. If the mechanism cannot be physically retained, it will be changed to another consistent with the original agreement. If continuation of the recognition creates a reputational risk for the charity, it may be terminated or altered.

11 The charity shall respond promptly to a complaint by a donor or prospective donor about any matter that is addressed in this Ethical Fundraising and Financial Accountability Code.
**B: FUNDRAISING PRACTICES**

1. Fundraising solicitations on behalf of the charity shall:
   - be truthful; and
   - accurately describe the charity's activities and the intended use of donated funds.

2. The charity shall not make claims that cannot be upheld. It shall refrain from using marketing materials or making representations that could be misleading. The charity shall not exploit its beneficiaries. It shall be sensitive in describing those it serves (whether using graphics, images or text) and fairly represent their needs and how those needs will be addressed.

3. When the charity conducts online solicitations its practices shall be consistent with or exceed the provisions of the Canadian Code of Practice for Consumer Protection in Electronic Commerce, which is downloadable at: http://www.cmcc.org/epic/site/cmcc-cme/ntf/nwq/p/EcmnPrinciples2003_e.pdf/FILE/EcmnPrinciples2003_e.pdf

4. When the charity conducts face-to-face solicitations, including but not limited to door-to-door campaigns or street-side fundraising, its practices shall include measures to:
   - provide verification of the affiliation of the person representing the charity; and,
   - secure and safeguard any confidential information, including credit card information, provided by donors.

5. Volunteers, employees and third party consultants/solicitors who solicit or receive funds on behalf of the charity shall:
   - adhere to the provisions of this Ethical Fundraising and 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, or who states that he does not wish to be solicited;
   - disclose immediately to the charity any actual or apparent conflict of interest or loyalty; and
   - not accept donations for purposes that are inconsistent with the charity's objects or mission.

6. The charity shall provide, upon request, 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.

7. The charity shall not, directly or indirectly, pay finder’s fees, commissions or percentage compensation based on contributions.

8. Charities that undertake cause-related marketing in collaboration with a third party shall disclose how the charity benefits from the sale of products or services and the minimum or maximum amounts payable under the arrangement. If no minimum amount is specified, the charity should disclose this.

9. The charity shall not sell its donor list. If applicable, any rental, exchange or other sharing of the charity's donor list shall exclude the names of donors who have so requested (as provided in section 8B, above). If a list of the charity's donors is exchanged, rented or otherwise shared with another organization, such sharing shall be for a specified period of time and a specified purpose and must be limited to what is allowed under Federal and/or Provincial privacy legislations.

10. The charity’s governing board shall 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 Financial Accountability Code.
C. FINANCIAL PRACTICE AND TRANSPARENCY

1. The charity's financial affairs shall be conducted in a responsible manner, consistent with the ethical obligations of stewardship and all applicable law.

2. All donations shall be used to support the charity's objects, as registered with CRA.

3. All restricted or designated donations shall be used for the purposes for which they were given unless the charity has obtained legal authorization to use them for other purposes. 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. If necessary, the charity will apply to the courts or the appropriate regulatory body to obtain legal authorization to use the donation for other purposes.

4. Annual financial reports are necessary to achieve transparency and accountability to donors and the public. All charities seeking receipts should produce them and make them easily accessible. Financial reports should:
   - be factual and accurate in all material respects;
   - disclose the gross amount of fundraising revenues (received and non-received);
   - disclose the total amount of fundraising expenses (including salaries and overhead costs);
   - disclose all donations that are received for income tax purposes;
   - disclose the total amount of expenditures on charitable activities (including gifts to other charities);
   - segregate undesignated and designated funds (for aggregate amounts over $100,000);
   - identify government grants and contributions separately from other donations (for aggregate amounts over $100,000); and
   - financial statements should be prepared in accordance with generally accepted accounting principles and standards established by the Canadian Institute of Chartered Accountants, in all material respects (or disclose a discrepancy between the practice and GAAP).

5. The cost-effectiveness of the charity's fundraising programs shall be reviewed regularly by the governing board. No more will be spent on administration and fundraising than is required to ensure effective management and resource development. The charity shall disclose its process for evaluating its spending.

6. The charity shall, upon request, disclose the revenue and expense assumptions for its fundraising activity as approved by its Board in its annual budget.

7. If the charity has annual revenue in excess of $250,000, the financial statements shall be audited by an independent public accountant.

8. If the charity's investable assets surpass $1,000,000, an investment policy shall be established setting out asset allocation, procedures for investment decisions, and asset protection issues.

9. If the charity receives, or anticipates receiving, gifts-in-kind of $100,000 or more in a year and has annual revenue in excess of $500,000, it shall establish a Gift Acceptance Policy (including valuation issues) for the receipt of gifts-in-kind.