Fundraising, Donations & Refunds Policy

Details

Policy & Procedure Owner	CEO Office	
Approved by	ERFA Board of Directors	
Date Approved	Date of Last Revision	Next Review
26 August 2015	May 2023	April 2026

Abbreviations

ACFID	Australian Council for International Development
DGR	Deductible Gift Recipient
ERFA	Edmund Rice Foundation Australia
ERFK	Edmund Rice Foundation Kenya
OAGDS	Overseas Aid Gift Deductibility Scheme

Definitions

ACFID Member	A not-for-profit organisation that has obtained accreditation with ACFID
Bequest	A donation of cash, property or other resources by will of codicil
Board Members	Voluntary directors of ERFA's Board
Donation	A voluntary contribution or gift, whether in cash or in kind. Donations must be made voluntary and by way of benefaction
Donor	Members of the public including individuals or organisations who contribute to ERFA in cash or in-kind
Partner	Any organisation which has an MOU or contract with ERFA
Primary Stakeholder (beneficiary)	Children and adults who participate in and are directly impacted by ERFA partner projects
Program	Programs are overarching development approaches and initiatives that set priorities and guide project outcomes, results and activities. Programs can comprise ministries or entities
Project	Projects are the development activities of a Program
Staff	Employees, contractors, subcontractors, outworkers, apprentices and trainees, work experience students, volunteers and any other person who performs work for ERFA or ERFK
Stakeholder	Anyone who interacts with ERFA/ERFK and its Partners including but not limited to suppliers, contractors, volunteers, donors, etc.
Tied donation	A donation that cannot normally be used for any other purpose without the donor's approval. Tied donations may have an end date.
Untied donation	A donation purpose that can be used at the discretion of ERFA
Will	A legal declaration of a person's wishes regarding the disposition of their property after death

Contact information

Chief Executive Officer	Bren Arkinstall - barkinstall@edmundrice.org
Programs Director	Emily Faller – ejfaller@edmundrice.org
ERFA Board Chair	Paul Gallagher – chair@erf.org.au
ERFA	www.erf.org.au or +61 7 3621 9649
ACFID	http://www.acfid.asn.au or +61 6 02 6285 1816

Contents Page

1.0 Introduction & purpose

The purpose of this Fundraising, Donations & Refunds Policy is to establish procedures for the clear and consistent acceptance and rejection of donations in accordance with the ethics of ERFA's Constitution, vision and strategic plan. This policy ensures that ERFA is able to maintain its independence from donor influences. The policy protects the interests and reputation of ERFA and guides the management of donations and the conduct of fundraising activities.

The principles underpinning this policy are:
- transparent and ethical processes for the acceptance, rejection and management of donations and fundraising activities;
- protecting the private information of donors and sponsors consistent with their wishes and to the extent provided by law;
- adequately identifying funds and using them for the purpose for which they were provided;
- compliance with all relevant Australian and State legislation governing fundraising;
- compliance with the ACFID Code of Conduct and the ACFID Fundraising Charter; and
- utilisation of a strategic, consistent and coordinated approach for the seeking and acceptance of donations.

2.0 Scope

All Staff and Board Members involved in the handling, acceptance and management of donations, or involved in the organisation and delivery of fundraising activities on behalf of ERFA are to be instructed and supported in the implementation of this policy.

3.0 ERFA's fundraising status

Donations and fundraising activities are a critical component of ERFA's organisational purpose and vision. ERFA reports on and acknowledges the contribution made by individuals, groups, organisations, official bodies and partners in funding and supporting its work.

Edmund Rice Foundation (Australia) is a company limited by guarantee under the Corporations Act 2001 (Commonwealth). The objects of the Company are set out in Clause 4 of ERFA's Constitution.

ERFA is registered as a Public Benevolent Institution (PBI) with the Australian Charities and Not-For Profits Commission and is endorsed as a Deductible Gift Recipient (DGR) by the Australian Taxation Office (ATO) which enables the Company to receive donations that are tax deductible from the donor's income tax.

As a member of the Australian Council for International Development (ACFID), ERFA adheres to the ACFID Fundraising Charter (www.acfid.asn.au).

4.0 Fundraising through formal channels

The solicitation of donations through formal channels includes communications disseminated from an official ERFA channel. The solicitation of donations through informal channels includes communications disseminated from an unofficial source, such as a Staff member's personal social media channel. This Fundraising, Donations & Refunds Policy is concerned with fundraising through formal channels. Solicitation of donations through informal channels is treated differently, as is addressed in ERFA's Public Relations & Social Media Policy.

Solicitation of donations through formal channels may be undertaken through various CEO-approved

methods including, but not limited to, direct mail, events, appeals, proposals or face-to-face invitations. Approval to solicit donations through formal channels must be obtained from ERFA's CEO, be within the parameters as set by ERFA's strategic and fundraising plan and be compliant with relevant Australian and State legislation.

Staff and Board Members wishing to undertake the formal soliciting of donations or fundraising activities for ERFA must first seek approval by contacting ERFA's CEO. Requests should outline what donors they will approach and the methods they intend to use. All formal promotional materials must be signed off by ERFA's CEO prior to circulation.

Fundraising activities undertaken through formal ERFA channels must meet the following requirements:
- legislative requirements in all relevant States and Territories must be met;
- all statements must be truthful and accurate;
- ERFA's identity and purpose (including ABN and address) must be clearly stated;
- the purpose for which donations are being collected must be clearly stated; and
- free, prior and informed consent for the use of materials (stories and images) must be obtained.

ERFA requires that public materials intended to promote fundraising activity:
- are factually accurate, truthful and not likely to deceive or mislead any person;
- correctly identify ERFA (including name, address, ABN and purpose);
- identify the objectives of the fundraising activity;
- accurately represent the context, situation, proposed solutions and intended meaning of information provided by affected people;
- have the approval of the specific project when that project is promoted as the recipient of the fundraising activity (and when a project's trademark is utilised);
- form a part of a positive campaign to build public awareness, understanding and support for the objects and vision of ERFA;
- comply with the Competition and Consumer Act 2010; and
- comply with the relevant State or Territory legislation in connection with fundraising activities.

ERFA requires that images and messages used for all fundraising activity will not:
- be untruthful, exaggerated or misleading (e.g. not doctored, created as fiction or misrepresent the people, situation, location);
- be used if they may endanger the people they are portraying;
- be used without the free, prior and informed consent of the person/s portrayed, including children, their parents or guardians;
- present people in a dehumanised manner;
- infringe ERFA's Child Protection Policy and in particular, not show children in a naked and/or sexualized manner, or;
- feature dead bodies or dying people.

5.0 Acceptance and rejection of donations
Donors are encouraged to provide written advice to ERFA with details of their donation, including the identifying amount, purpose, and if appropriate, pledge period of time.

5.1 Acceptance

- Donations in cash or kind are accepted by ERFA with the intention of supporting ERFA's vision, development projects and/or humanitarian aid activity in line with ERFA's constitution, vision and strategic plan.
- ERFA accepts donations only under the premise that no material benefit or advantage will be provided to the donor.
- No staff or volunteers engaged in activities resulting in or relating to receipting of donations (e.g. fundraising, donor liaison) on behalf of ERFA will grant or accept favours for personal gain and they will avoid any real or perceived conflicts of interest in line with ERFA's Conflict of Interest Policy.

5.2 Rejection

ERFA only accepts donations where they are ethical in nature and consistent with the organisation's strategy and vision. ERFA reserves the right to reject an offered donation including where:

- the activities of the donor are incompatible with ERFA's objects, vision and strategy;
- the cost of accepting the donation will be greater than the value of the donation;
- there is reason to believe that accepting the donation may give rise to litigation; and
- where an offer of a donation is not accepted, the CEO and senior management will determine the appropriate manner in which to transparently convey to the donor ERFA's decision.

6.0 Donations types and payment method

6.1 Method of donation payment

ERFA accepts donations via a variety of methods including: cash, cheque, credit cards, direct deposit, money order, resources and approved forms of in-kind donations.

6.2 In-kind donations

Staff must seek advice from the CEO with regard to the potential impact on ERFA prior to accepting any in-kind donations.

6.3 Other (non tax-deductible payments)

Certain fundraising activities are not regarded as philanthropic, and do not generate donations. Such activities include immersion programs and sponsorship or attendance at a fundraising event. However, the provider of the funds relating to these activities may require specific acknowledgement of their support (including receipting). Staff should liaise with the CEO in every instance to ensure consistency in acknowledging cash and in-kind contributions.

7.0 Recording and managing donations

- ERFA will receive, bank and process all donations in a timely manner. Any copies of documentation such as letters, cards, notes and agreements will be filed appropriately.
- ERFA is responsible for ensuring that all monetary funds received by donors are deposited into the correct bank account for either domestic or overseas donations (and separate from general operations). ERFA must ensure that:
  - the funds are deposited within 72 hours of receipt into the appropriate ERFA account;
  - the donor is issued with an official receipt within 14 days for tax purposes;
  - appropriate acknowledgement and letter of thanks is sent to the donor.
- ERFA will maintain a secure donor database that will record sufficient information in order to manage the donation with regards to the donor's intent. Each record may contain:
  - the name and contact details of the donor or their legal representative;

- o the type of donation (cash, in-kind, bequest, etc.);
- o a description of the donation (cheque, cash, credit card, pledge, in-kind services);
- o the value of the donation, including pledge period, if appropriate;
- o the conditions of the donation (if applicable) including whether the donation is to be endowed and the terms of the endowment;
- o the purpose to which the donation is to be used (e.g., Australian projects, overseas projects);
- o the receipt details (including receipt number and date);
- o the recognition provided to the donor by ERFA;
- o the history of contact with ERFA; and
- o who was responsible for soliciting the donation and who is responsible for nurturing the donor relationship.
- In the case of donations made in-kind the amount of the donation recorded will be that amount stipulated through independent valuation.
- Tied donations will be managed separately and in accordance with the donor's intent. Wherever possible ERFA will use the donation in accordance with the original specified purpose and conditions. Where this is not possible, ERFA will contact the donor, or their representative, to discuss alternative acceptable purposes, or refund.
- If requested by the donor, ERFA will provide information on which project the donation was disbursed to.
- ERFA will prepare timely acquittal reports in line with the original agreement with the donor (if any).
- ERFA's annual report and annual financial statements are available online at www.erf.org.au.

8.0 Processing donations

8.1 Donations made in person, by email, mail or telephone
- An ERFA donation form is to be completed by the donor or by the ERFA representative accepting the donation.
- The donation payment (cash, cheque or credit card details) is to be attached to the ERFA donation form.
- Payment is to be banked if cash or cheque or processed if credit/debit card.
- The relevant staff member (Executive Assistant) will enter information from donation form into donor database.
- A receipt and acknowledgement is issued to donor by relevant ERFA staff member within 14 days.
- Finance team distributes bank statements of all accounts on a daily basis to relevant staff member (Executive Assistant) to reconcile any outstanding amounts.

8.2 Donations made online through website
- Donations made online through ERFA's secure website at: https://erf.org.au/donate/, are recorded automatically through Salesforce, ERFA's database). The relevant staff member (Executive Assistant) is to follow the following process:
  - o transaction to be downloaded;
  - o donor information to be updated; and
  - o receipt and acknowledgement is issued to donor by relevant staff member.

8.3 Donations made via bank deposit
- The Donor Relations Manager, Schools and Community Engagement Manager or CEO notifies the Executive Assistant regarding any bank deposits including:

- o where the funds/donation originated (donor name);
- o allocation and coding of the funds/donation;
- o the Executive Assistant will update the donor information in the database; and
- o receipt and acknowledgement is issued to donor by relevant staff member.

9.0 Protocols for handling donations, auctions and raffles at ERFA events

The following protocols are to be followed in all cash situations such as ticket sales, raffles and auctions:

- All cash received to be counted and recorded by two individuals.
- Cash to be counted and held in a secure place until it is banked.
- Income summaries are to be reconciled at the event.
- Records of all cash payments are to be completed on forms supplied.
- Cash to be kept in a secure location (preferably a safe) and banked as soon as possible.
- Where possible all tickets to be sold prior to the event to reduce the requirement for cash collection on the day.
- An individual to be nominated to assist with cash handling responsibility.
- Donors and guests to be encouraged to use ERFA website, online payment systems, credit cards or cheques to reduce cash handling.
- Volunteers handling cash are to be given clear instructions and to be clearly identified per section 13 below.
- Donor details are required for receipting purposes.

These protocols are in place to:

- protect the organisation from fraud and theft;
- protect staff or volunteers from accusations of dishonesty or temptation; and
- assure donors that their donations are used for the purpose for which they were given.

10.0 Privacy

ERFA is bound by the Commonwealth Privacy Act (1988). ERFA's fundraising activity is compliant with ERFA's Privacy Policy, including such steps as protecting donor's personal information, transparently disclosing information to the public and obtaining informed consent from stakeholders for the use of their stories and images in fundraising material.

11.0 Taxation

- No person representing ERFA is to engage in speculation about the taxation implications or legal status of donation with respect to the potential impact of the donor. ERFA representatives may state only that donations to ERFA of $2 or more are tax deductible in Australia by quoting our ABN.
- Donors are encouraged to seek independent professional advice about the taxation status and any other business or legal implications associated with their donations.
- For taxation purposes, an independent valuation of the goods or services is required where a donation is made in-kind. The donor is responsible for arranging and paying costs associated with the valuation of the goods.
- ERFA manages two (2) Deductible Gift Recipient funds and donations of $2 or more are tax deductible in Australia. Details of these are outlined in Section 3.0.

12.0 Donor management and recognition

- ERFA will manage its relationships with its donors and prospects in a transparent and

respectful fashion. Donors or prospects may have multiple affiliations and interactions with different Staff members and board members. ERFA Staff and board members should be aware of these relationships and seek to acknowledge them during their interactions with donors.

- ERFA will always adopt a donor-centered approach to requests for philanthropic support, based on an understanding of the donor's interests as well as ERFA's needs. However, ERFA will not design a new program/project or fund an activity based purely on donor feedback/requests nor will ERFA channel funds to a project not specifically approved by ERFA's Board for funding. ERFA's funding and donation acceptance decisions will recognise and balances both donors and affected people but will give primacy to the primary stakeholders (Beneficiaries).
- ERFA will ask for donations in a planned and coordinated way to maximise potential success and discourage inappropriate, ill-considered, or multiple approaches to potential donors.
- Where possible, general donations not tied to a specific program will be sought.
- Tied donations should be sought for the project(s) and area judged most likely to receive a donation from a prospective donor, based on an understanding of the prospective donor's interests.
- Once a donation or pledge has been received, effective management and appropriate recognition of donor relations encourages donor loyalty and provides a compelling case for the donor's continued support.

13.0 Donor's rights

Having regard for those who make donations to ERFA, it is a requirement that the processes for handling donations includes:

- information on how to cancel a donation and request a refund;
- security measures used to protect the Donor's information (see also Privacy Policy);
- those collecting donations (e.g., at fundraising events) wear authorised identification stating that they are volunteers or staff members and are able to produce appropriate identification;
- there is a clear statement about the purpose of the fundraising; and
- there is a financial report available to donors which reports on the fundraising appeal.

14.0 Fundraising activities

Fundraising activities must comply with this Policy and be consistent with the objects, vision, strategy, ethical framework and policies of ERFA. When planning a fundraising activity, ERFA staff will identify the activity, location and target audience. They will then assess what compliance measures the activity requires. Further information on this can be found utilising the resources in Section 17.0 Resources and in particular, Justice Protect at www.nfplaw.org.au. The following flow chart outlines a process for compliance.

15.0 Excess funds

Should ERFA raise funds for a specific purpose, the public will be notified if excess funds have been raised via any campaign. The public will be informed via social media, email, post or ERFA's website that funds can be returned or otherwise used for related campaigns, activities or projects.

16.0 Refund policy

Any request for refund of contributions to ERFA by a donor will be considered and determined on a case-by-case basis. When a request for a refund is received, an assessment of the reason given for the refund request will be undertaken by ERFA's CEO and referred to the Board if necessary.

17.0 Resources

- Australian Charities and Not-for-Profits Commission – Charity Fundraising: https://www.acnc.gov.au/ACNC/Manage/Manage_charity_money/Charities_and_fundraising/ACNC/Edu/Charities_and_fundraising.aspx?Noleft=1&hkey=c10a199f-fb1f-4720-8397-34130c96afd5
- Australian Council for International Development: https://acfid.asn.au/
- Australian Taxation Office links to State, Territory and Local Government Fundraising Requirements: https://www.ato.gov.au/Non-profit/Gifts-and-fundraising/In-detail/Fundraising/
- Guide to Fundraising Laws in Australia: https://www.nfplaw.org.au/sites/default/files/media/Guide_to_Fundraising_Laws_in_Australia_1.pdf
- State Fundraising Laws and Licences: https://www.nfplaw.org.au/fundraising

18.0 Roles and responsibilities

Numerous ERFA Staff encounter fundraising responsibilities within their broader roles at ERFA.

- ERFA's CEO is responsible for overseeing adherence to this Policy and for authorising all fundraising activity.
- ERFA's Marketing Strategist & Implementation Partner is responsible for creating and distributing marketing and fundraising material to ERFA's Donor community.
- ERFA's Executive Assistant is responsible for maintaining the ERFA donor database, processing offline payments and receipting.
- ERFA's Donor Relations Manager is responsible for targeting and developing new donor relationships, managing existing donor relationships and delivering fundraising initiatives.
- ERFA's Schools and Community Engagement Manager is responsible for maintaining strong relationships with school communities and related donors, as well as a strong focus on creating new engagement and revenue raising opportunities in the school and corporate network.

All ERFA Staff are responsible for engaging in fundraising activity that is ethical and in accordance with ERFA's Constitution, vision and strategic plan.

19.0 Related ERFA Policies and Documents

Related policies

- Conflict of Interest Policy
- Child Protection Policy
- Development and Non-Development Activity Policy
- Financial Policy & Procedures
- Privacy Policy
- Public Relations & Social Media Policy

Attached documents

- ERFA Donation Processing Form
- ERFA Donor Form

ERFA Overseas/Domestic Donation Process Form

Donor Name	
Address	
Email	
Phone	
Amount	
Code/Program	

Payment Method

☐credit card	☐cheque	☐cash

Receipting

☐email receipt directly to donor

☐return receipt to _____ (enter name)

ERFA Donation Form

(all donations over $2 are tax deductible)

Name:	
Address:	
Suburb:		Postcode:	

Gift amount:	☐ $20 ☐ $50 ☐ $100	☐ $250 ☐ $500 ☐ My choice	☐ One-off ☐ Monthly ☐ Quarterly ☐ Six-monthly ☐ Annually

Email address for tax deductible receipt:	
Donation message/comments (*see note below):	
Payment details: We accept Visa, Mastercard or American Express	☐ Credit card: ☐ Cash: ☐ Cheque:
Name on credit card:	
Credit card number:	
Credit card expiry date:	
Credit card expiry: ____/____/____	CVV:
Signature:	

Your credit card will not be charged on the event day but will be charged post event. This document will then be destroyed.

Important note:
Whenever possible, your donation will be used to support activity that delivers ongoing benefits to communities. However, sometimes welfare (such as clothing, food or medicines for individuals) is a necessary steppingstone to empowerment. Your donation will be used where it is most needed unless you include a comment in the message space provided.