



FIA

**Fundraising
Institute
Australia**

The Professional Body for Australian Fundraising

**Code
Authority
Annual
Report
2019/2020**

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About Fundraising Institute Australia

Fundraising Institute Australia (FIA) is the peak body for professional fundraising in Australia. Established in 1968, FIA has continually worked to lift ethical best practice standards in the membership and the broader fundraising community. FIA's purpose is to make the world a better place by advancing professional fundraising through the promotion of standards, professional development pathways and measurable credentials so that our members achieve best practice.

About the FIA Code

The FIA Code is a voluntary, self-regulatory code of conduct for fundraising in Australia. It does not replace or override any law but aims to raise standards of ethical conduct across the sector by going beyond the requirements of government regulation. Its content is informed by the International Statement of Ethical Principles in Fundraising. The Code applies to all FIA members and adherence to it is a requirement of membership.

The Code, in its current form, was launched in 2017 following a year-long, comprehensive review into sector sustainability by an FIA-led taskforce. The review resulted in significant reforms to protect people in vulnerable circumstances, reduce the risk of over-communicating with donors and improve governance and supply chain accountability, among other changes. Training in Code compliance by all fundraisers became mandatory for FIA members. Monitoring of compliance is conducted through complaints handling and mystery shopping. An independent Code Authority oversees all aspects of Code administration.

About the Code Authority

The Code Authority proactively monitors fundraising activities of FIA members, ensures that Code complaints and appeals are handled in a prompt, fair and equitable manner, and promotes Code awareness through training. Occasionally, it also makes recommendations to the FIA Board for improvements to sector self-regulation.

The Authority is independently chaired by former Senator the Hon Ursula Stephens, and its current members are Jennifer Doubell, Executive Director, Peter MacCallum Cancer Foundation; Benjamin Cox, CEO, Gold Coast Hospital Foundation; Christopher Zinn, Donor/Consumer Representative; Ashley Rose, CEO of Mondial Fundraising Communications; Roewen Wishart (CFRE), High-Value and Strategy Director, Xponential, and Karen Shields, Director-Individual Giving, Great Barrier Reef Foundation. Members of the Code Authority are appointed by the FIA Board of Directors for their stature in the fundraising community as well as their ability to adjudicate independently in the interest of upholding the values embodied in the Code.

The Code Authority has a variety of options available in cases where a member has been found in breach, ranging from requiring the member to undertake Code training, make an apology, or conduct other remedial action to ensure the breach does not happen again. In cases of

repeated non-compliance, the Authority can recommend to the FIA Board that the member be suspended or expelled from the membership.

FIA Code Authority Chair's Report

I'm proud of the work undertaken since 2017 on FIA's self-regulatory Code by the FIA Code Authority. Since that time, the Code has been instrumental in helping to lift the standards of fundraising practice in Australia. More than 3,000 fundraising professionals and suppliers to the sector have now taken the Code training which demonstrates that FIA members endorse the Code and are in full support of more sustainable and professional practice.

The Code Authority members have worked together, in a highly collegiate and reflective manner, to enable FIA to understand the issues within fundraising that need to be addressed. The Code Authority has taken to heart the public's concern about certain aspects of fundraising practice, and collaborated with FIA to develop training, education and resources to assist members and advance its cause for self-regulation to government.

Ursula Stephens
Chair
FIA Code Authority

Code Compliance Monitoring

As part of its role in administering the Code, the Code Authority commissions third-party monitoring of member compliance. Techniques include mystery shopping in which monitors pose as donors.

In 2019, monitoring focused on fundraiser data management and donor care, including treatment of people in vulnerable circumstances. Donations were made to a random sample of FIA member charities by mail, website and telephone in the name of a mystery shopper with unique contact details, allowing for all subsequent contacts to be linked to the initial transaction. All contacts and information sent on behalf of the charity were tracked against this initial transaction. Transcripts of telephone conversations, print materials received, electronic messages, and any other communication were also noted.

The aim of monitoring is to alert members to non-compliance before it becomes a serious or systemic issue leading to real harm. Members found in breach are given the opportunity to correct the behaviour before sanctions are considered. A secondary aim of monitoring is to inform FIA's training and professional development program requirements.

Monitoring Activity

During 2019 and the first half of 2020, the Code Monitor completed five rounds of mystery shopping.

January to December 2019



155 members
included
in mystery shops



1009
fundraising
interactions



155 separate
mystery shops



34 issues
noted for
review



18 related to
donor
communication
preferences

During the first half of 2020, the Code Monitor completed one round of mystery shopping on telephone fundraising interactions.

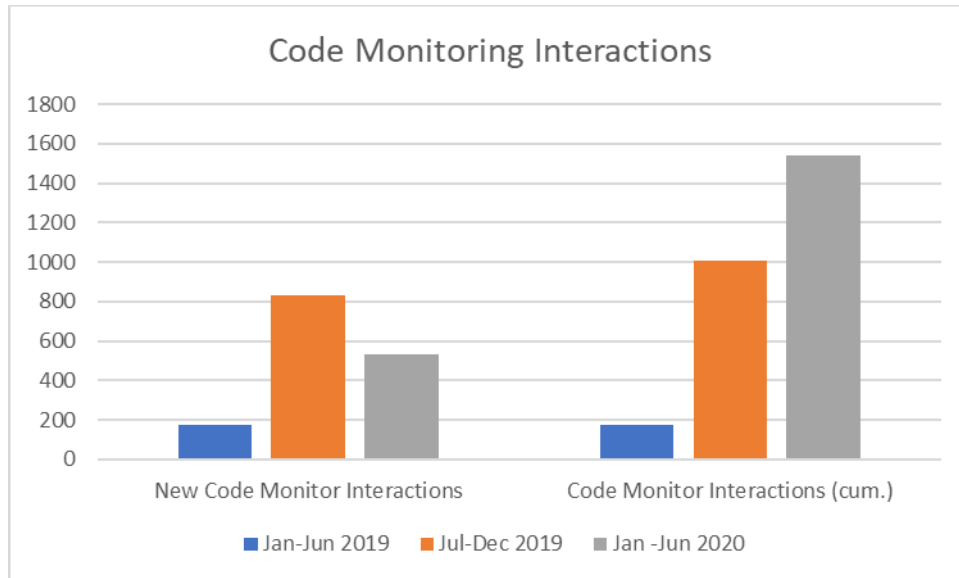
January to June 2020



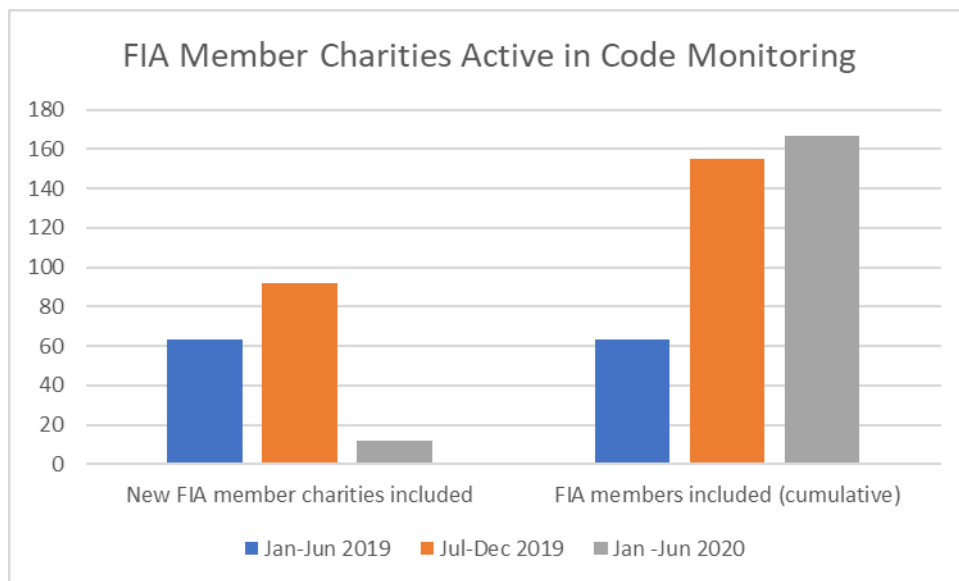
12 members included
in initial mystery
shops



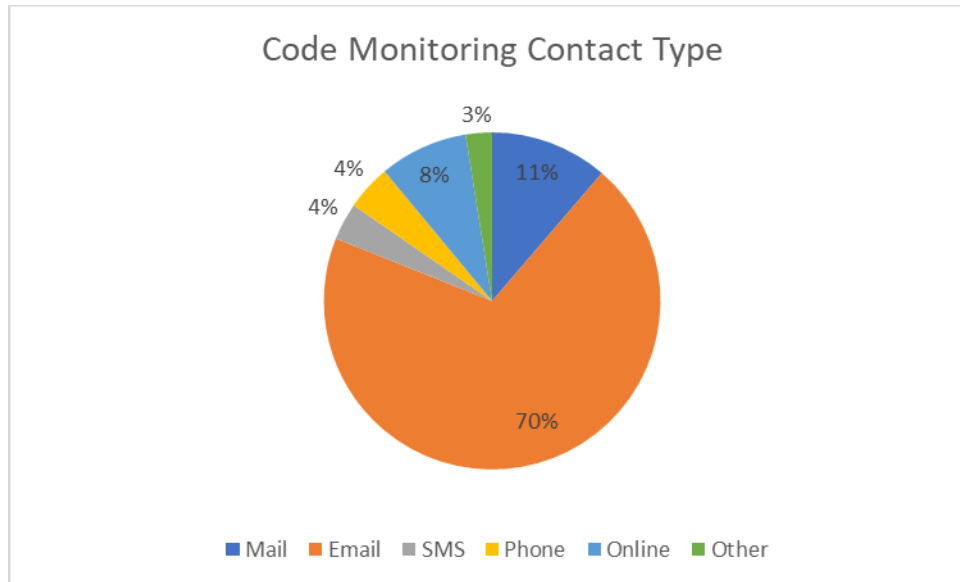
531 fundraising
interactions with
initial and
additional



Code Monitoring Interactions by date insert definition



FIA Member Code Monitoring Numbers



Code Monitoring by Contact Type

Areas for improvement were identified and included:

- A small number of charities unable to respond to opt-out requests.
- A lag between submission of an opt-out request and some charities' ability to process this before planned communications are sent, particularly in the case of email where lead times are shorter than for traditional direct mail.
- The size, positioning and prominence of opt-out options for mail and email communications being easier to find or more prominent as recommended by the relevant practice note.
- Some opt-out processes offered only a partial solution for a donor wishing to remove themselves from all fundraising communications – examples being where an “unsubscribe” button on an email only removes the donor from a specific communication list – for example, a newsletter, while retaining them on a range of other lists each requiring individual opt-outs which is challenging for charities who do not have preference centre options.
- Charities whose staff accepted a donation from the mystery shopper posing as a person in vulnerable circumstances were provided guidance for their fundraising staff on how to identify such donors and reminded of their obligation under the Code not to accept donations in cases where the person lacks capacity to make an informed decision to donate.

In communicating these findings to members, it was noted that all charities gave assurances that they are striving for best-practice fundraising, including donor care, and respecting donor requests to opt out from future appeals. The Code Authority and the FIA Board of Directors noted the positive response from all members, including strong support for the work of the Code Authority and mystery shopping in continually lifting standards in the fundraising sector.

Help to identify people in vulnerable circumstances

After reviewing the results of mystery shopping in 2019, FIA developed additional tools and resources to assist members in identifying potential donors or supporters who might be in vulnerable circumstances. In Q2 of 2019, FIA produced a postcard for use by members containing “at a glance” tips on how to identify and communicate with donors in vulnerable circumstances.

Fundraising Institute Australia (FIA) members subscribe to a self-regulatory regime that raises the sector's profile and enhances credibility and reputation with donors, government and the community. Self-regulation is guided by the FIA Code. All members must comply with the Code. The Code covers many areas of ethical and best-practice fundraising, including how to recognise donors in potentially vulnerable circumstances, a challenging but key area of concern. Turn over for tips on how to spot and respond to a donor in potentially vulnerable circumstances.



Donors in Vulnerable Circumstances Tips from Fundraising Institute Australia

How to **spot** a donor in potentially vulnerable circumstances:

- ☐ Struggles to understand your ask or continually asks for information to be repeated.
- ☐ Repeats questions such as 'who are you?' or 'what do you want?'
- ☐ Wanders off topic or gives irrational, confused or erratic responses.
- ☐ Displays signs of forgetfulness or takes a long time to answer.
- ☐ Says 'yes' or 'no' at times when it is clear they have not understood.
- ☐ Indicates they feel they shouldn't be donating.
- ☐ Suggests they do not manage their finances/that someone else manages their affairs.

How to **respond to** a donor in potentially vulnerable circumstances:

- ☒ Use clear language, avoiding words and phrases that may be hard to understand (but avoid shouting).
- ☒ Repeat information if necessary. Be patient, do not rush or pressure the person.
- ☒ Provide alternative formats of fundraising materials (different language, accessible formats).
- ☒ Check their understanding at relevant parts of your interaction to ask if anything needs further explanation.
- ☒ Be willing to provide extra time for the person to consider their options.
- ☒ If you think the donor lacks capacity to consent to donate, do not ask for, or accept, the donation.

For more information go to fia.org.au

Code Compliance Training Report

By the end of 2019, 2,685 members had registered for the FIA Code course, of which 2,682 (99 per cent) had successfully completed the training.

By end of June 2020, 3,201 members had registered for the FIA Code course, of which 3,198 (99 per cent) had successfully completed the training. The Code Authority urges all FIA members to complete their training to minimise the risk of breaching the Code.

Code Authority Meetings in 2019

The Code Authority met five times in 2019 and twice during the period January to June 2020. Each meeting included a report from the Code Monitor and updates from the CEO and regulatory affairs manager. Other regular agenda items included updates on Code training, complaints reporting, communications and Code awareness initiatives. Meetings were routinely followed by a 'communique' to FIA members containing a summary of compliance outcomes and other matters.

The Authority oversaw the development of a new practice note and tools to assist members in ensuring Code compliance by their supply chains, as per the requirements of Section 6 of the Code, which deals with conduct in supplier relationships.

Code Authority members also supervised the development of a practice note and tools to improve return on investment in regular giving programs, in relation to clause 6.3 of the Code, which requires members to ensure that supplier costs incurred in fundraising are proportionate to the funds raised and represent fair market value for services provided.

In response to Code monitoring reports, the Authority provided guidance to the FIA CEO in conducting follow up with members on the findings of mystery shopping. It also dealt with a variety of complaints from the public against members and non-members (see details next page).

January to December 2019



17 complaints
received in
2019



17 complaints
resolved in
2019

Code Authority Members, Appointments and Terms

Position	Name	Appointed	Status	Term Number	Term Completes on
Chair	Ursula Stephens	3-Nov-17	Current	2	Nov-21
Board Representative	Jennifer Doubell	3-Nov-17	Current	2	Feb-21
FIA Member Representative	Roewen Wishart	3-Nov-17	Current	2	Nov-21
Professional Member representative	Benjamin Cox	3-Nov-17	Current	2	Nov-21
Board appointed Member	Christopher Zinn	30-Oct-18	Current	1	Oct-20
Board appointed Member	Ashley Rose	30-Nov-19	Current	1	Nov-21
Board appointed Member	Karen Shields	1-June-20	Current	1	June-22
Deputy Chair	Sue-Anne Wallace	3-Nov-17	Resigned	N/A	28-Feb-19

Consumer campaigner appointed to represent donor perspective

In October 2018, FIA appointed respected consumer campaigner Christopher Zinn to the Code Authority. Mr. Zinn, former head of campaigns and communications at consumer peak body Choice, is a leader in the emerging marketplace of consumer empowerment, having

spearheaded successful campaigns to help consumers in complex markets such as energy, financial services and private health insurance.

Telephone fundraising CEO joins Code Authority

In November 2019, FIA appointed Ashley Rose, CEO of Mondial Fundraising Communications, to the Code Authority. A career fundraiser who has worked in the sector for 21 years, Mr Rose brings a wealth of on-the-ground experience in fundraising campaigns and offers a service provider's perspective on matters that come before the Authority.

Individual Giving expert joins FIA Code Authority

In June 2020, FIA appointed Karen Shields, Director of Individual Giving at the Great Barrier Reef Foundation, to the Code Authority. Ms Shields is an experienced not-for-profit leader with 15 years in fundraising and strategic management. She leads the Individual Giving program at the Barrier Reef Foundation, having joined the team in mid-2019. Her role is focused on implementing large-scale integrated campaigns to raise much-needed funds and awareness to protect and restore the Great Barrier Reef, one of the seven natural wonders of the world.

The Code Authority in 2020

The Code Authority will continue to commission mystery shopping of FIA members, including supplier members, on issues that are raised as the result of complaints and from its own mystery shopping activity, in keeping with its remit to lift standards of ethical, best-practice fundraising in Australia.

The Code will also undergo a sector-wide review to ensure that its tenets, including the practice notes and the work of the Code Authority, continue to meet the needs of the sector in advancing best practice.





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The Professional Body for Australian Fundraising

FIA would like to thank and
acknowledge the continued
support of our national partners:



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Fundraising



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