

Fundraising and Reporting During Natural Disasters

Practice Note

For FIA Members and Signatories

This Practice Note is designed to assist FIA Members and other signatories in their fundraising and reporting during times of national disasters.

This Practice Note was developed by FIA and the Australian Government, in collaboration with the charities sector, to establish a set of minimum conduct standards that charities may follow and expand upon to achieve best-practice fundraising and reporting during times of natural disaster.

For FIA Members, the Practice Note should be implemented in conjunction with the FIA Code.

For signatories without FIA membership, this is intended to be implemented as a stand-alone Practice Note (using relevant FIA Code guidance material where referred to in the Note).

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Updated February 2022

1. Accountability

This Practice Note is designed to improve the accountability of Members and signatories to donors and the wider public during natural disasters, through a framework for transparent fundraising and reporting.

Charities can face intense and sometimes adverse public scrutiny during natural disasters, particularly with regards to the timeliness of the distribution of donated funds. Frequent and transparent communication from those charities involved in response efforts is key to assuring donors and the wider public that their donations are funding critical assistance and supporting public understanding of the recovery process.

This Practice Note is designed to improve the accountability of Members and signatories by expanding upon Clause 4.4 of the FIA Code¹, which requires that FIA Members make readily available, on request, information about the charitable cause for which they are fundraising and how donated funds are to be used. Members and signatories to this Practice Note should promote full disclosure and transparency of the nature and scope of their appeals so that donors can make a more informed decision about their gift.

2. Trigger for Reporting

Accountability and reporting under this Practice Note is triggered when the Australian Government makes a national emergency declaration but can also be voluntarily undertaken at any time.

The Government may make a national emergency declaration where an emergency has occurred (or is likely to occur) in Australia causing nationally significant harm that requires a collective response from the Commonwealth and impacted State and Territory governments.²

Members and signatories may apply this Practice Note in any additional situations where it would benefit donors and beneficiaries.

¹ Signatories to this Practice Note without FIA Membership must comply with the terms of this Practice Note and not those of the full FIA Code. FIA Members should refer to Clause 4.4 FIA Code in implementing this Practice Note.

² *National Emergency Declaration Act 2020.*

3. Appeal Intent

Members and signatories will publicly publish their intent in raising funds (appeal intent) when they decide to raise funds in response to a natural disaster. The appeal intent should include:

- a The organisation's identity including name, address, and purpose
- b The natural disaster the appeal is being made in response to
- c The purpose of the appeal and/or a high-level overview of the activities the charity will support with donated funds; and
- d The organisation's operating parameters, including binding governance rules and legal obligations.

4. Outsourcing Fundraising

If outsourcing fundraising activities, Members and signatories will ensure that:³

- a Contracts are in place which meet all relevant legislative and regulatory requirements.
- b Specific expectations, responsibilities and obligations of each party are clear and in writing.
- c Members and signatories are identified as the beneficiaries of the funds.
- d Authority to fundraise documents are properly developed and executed.

5. Reporting Use of Donations

Members and signatories will publicly publish reports outlining how donations are being used to fund response activities and plans for future disbursement of funds. This information will provide assurance to donors and the wider public that donations are funding critical recovery activities, whilst supporting public understanding of the long-term nature of recovery processes.

At a minimum, these reports should include the following information:

- a The natural disaster the report refers to.
- b A copy or link to the appeal intent for any appeal established in response to the natural disaster.
- c A high-level summary of the charity's involvement in the recovery process.
- d The dollar value of total donations received to date.
- e The dollar value of donations received in the reporting period (since the last report was published).

³ Refer to Clauses 6.1 to 6.3 of the FIA Code for further context or guidance.

- f The dollar value of funds distributed to date, split by response activity.
- g An indication of funds committed to response activities in the short, medium, and long term.
- h An indication of funds not yet committed.

Members and signatories may compile these reports using the templates [here](#). These templates can be adapted to include any other relevant information, including:

- a Any relevant context to support figures reported under the requirements above.
- b Any other information relevant to donors or stakeholder, including information on non-financial donations.
- c Reporting on the impact of funds using illustrations and case studies, if desired.

6. Accuracy of Appeal Intent and Reporting

In preparing any materials that report the use of donations in response to the natural disaster, including the progress reports specified above, Members and signatories will ensure that:

- a Materials, including printed, verbal and other, accurately and truthfully describe the organisation and its work.
- b Materials accurately and clearly describe the specific purpose for the funds the organisation is raising.
- c Materials accurately and clearly describe the impact – including the beneficiaries – of the funds raised.
- d Communications are accurate, respectful, and protect privacy and dignity.⁴ Materials avoid omissions, exaggerations, misleading visual portrayals, and overstating the need for donations or what the donor’s response may achieve. Specifically avoid promotional claims such as “100 percent of your donation goes to service delivery”.⁵
- e Materials accurately describe the nature and timeline of delivery of funds to intended beneficiaries.

7. Frequency of Reporting

Members and signatories should report progress of fundraising and natural disaster activities at least quarterly for the first two years following an emergency disaster declaration. Such reports are to be made publicly available.

⁴ Refer to Clause 5 of the FIA Code for further context or guidance.

⁵ Refer to Clause 4.11b of the FIA Code for further context or guidance.

Charities may publicly commit to a more frequent or longer reporting schedule where beneficial.

8. Guidelines

In preparing fundraising materials and reports on the use of donations, Members and signatories should consider the Australian Competition and Consumer Commission’s *[Guide to the Australian Consumer Law for fundraising and other activities of charities, not-for-profits and fundraisers](#)*.

Disclaimer

This Practice Note and the resources and materials referred to in this Practice Note (“the Information”) are provided as a guide and for general information purposes only. Use of any of the Information is at your own risk and you should not rely on the Information without first seeking your own professional advice. Fundraising Institute Australia (“FIA”) makes no warranty as to the accuracy or suitability of the Information for the specific needs and requirements of you or your organisation. Reliance upon the Information is strictly at your own risk. FIA does not accept any responsibility for any loss or damage arising from reliance upon the Information.

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