



CCCC CERTIFIED MEMBERSHIP APPLICATION

The CCCC Seal of Accountability is granted to Christian charities that have demonstrated verifiable compliance with the Standards of Accountability. The Standards are designed to

- > promote effective Christian ministry;
- > encourage Christ-honouring practices;
- > advance best practices and high standards, rather than minimum legal requirements;
- > publicly identify Canadian Christian charities that are worthy of the public's respect and trust.

The Standards of Accountability and detailed commentary are available for download at http://www.cccc.org/standards_full. Please keep this document handy as you complete the following application. If you have any questions, please contact **Curtis Towns, Manager, Certification** by email (curtis.towns@ccc.org), phone (519.669.5137 x39), or fax (519.669.3291).

CONTACT INFORMATION

Full Legal Name of Applicant Organization _____

Operating Name *(if different from legal name)* _____

Address _____

City _____ Province _____ Postal Code _____

Telephone (_____) _____ Fax (_____) _____

Email _____ Website _____

Canada Revenue Agency: BN/Registration Number R R

Application Contact Person

Prefix (Mr. / Mrs. / Dr.) _____ First Name _____ Last Name _____

Email _____ Phone (_____) _____

Organization's CEO or Senior Pastor

Prefix (Mr. / Mrs. / Dr.) _____ First Name _____ Last Name _____

Email _____ Phone (_____) _____

COMPLIANCE AGREEMENT

If approved for Certified membership, we agree to adhere to CCCC Standards and complete an annual compliance review as well as periodic on-site field reviews. If any areas of non-compliance arise, we understand that CCCC desires to work with the member to resolve any issues in a timely manner. If these issues cannot be resolved, we understand that our Certified membership may be terminated.

Signature of Authorized Officer (CEO, Senior Pastor, or Board Chair)

Date

COMPLIANCE QUESTIONS

Please read the **Standards of Accountability and detailed commentary** (Attachment 1) carefully prior to completing the following compliance questions. Provide the required supporting documents with the application where indicated at the end of each Standard.

STANDARD 1: DECLARED CHRISTIAN MINISTRY

1. Are board members, officers, and key personnel in your organization required to affirm their commitment to a Christian doctrinal statement as a condition of their appointment?
2. Are the above individuals required to reaffirm the statement on an annual basis?

YES

NO

Required Document:

- > *If your organization's Statement of Faith/Doctrinal Statement is not included in the governing documents, please attach a copy to this application.*

ATTACHED

STANDARD 2: INDEPENDENT ACTIVE BOARD

1. Does the governing board establish the annual salary of the chief executive officer/executive director?

YES

NO

Required Documents:

- > *Your governing documents a) Letters Patent, Certificate of Incorporation/Continuance, Memorandum or Articles of Incorporation, Trust Document, Constitution b) bylaws*
- > *Your organization's last two years of board minutes*
- > *Your organization's last Annual General Meeting of Members minutes*
- > *List of current directors/board members including their home address, principal employer, occupation, office held with charity, and any blood and /or family relationships among directors and between directors and other officers*
- > *Description of how the CEO salary is established, if not set by the board*

ATTACHED

STANDARD 3: INDEPENDENT AUDIT

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>

1. Are audited statements prepared according to Canadian accounting standards for not-for-profit organizations, and did the auditor provide a “clean” auditor’s report?

Required Documents:

- > *Your organization’s most recent audited financial statements, signed by two directors.*

ATTACHED

STANDARD 4: PUBLIC FINANCIAL DISCLOSURE

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>

1. Are full audited statements provided to anyone who asks?

Required Documents:

- > *Your organization’s most recent T3010 along with all schedules/worksheets*

ATTACHED

STANDARD 5: AUDIT REVIEW COMMITTEE

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

1. Have you provided a list of **Audit Review Committee** members and the minutes of their last meeting? (see Attachment 2 for *committee meeting Sample Agenda*)
2. If the committee has not been appointed, will you undertake to do so within a reasonable timeframe acceptable to CCCC?

Required Documents:

- > *A list of Audit Review Committee members or undertaking to appoint such a committee*
- > *Minutes of the last Audit Review Committee meeting*

ATTACHED

STANDARD 6: PURSUIT OF INTEGRITY

YES	NO
<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>

1. Has your organization been under investigation or review by any government authority (e.g., CRA audit) or party to any litigation in the past two years?
2. Does any board or staff member (or his or her family) have a financial interest in or receive compensation from any firm or organization conducting business with your organization? (If yes, please attach details of each arrangement.)

Required Documents:

- > *Your organization’s Conflict of Interest and Privacy policies, if any*
- > *A copy of any CRA correspondence related to an audit and the status of this audit*
- > *A brief description of the nature of any litigation currently underway or pending*
- > *Any intermediary agreement with another individual/organization providing activities outside Canada*
- > *Official receipt for income tax purposes (with donor’s name blocked out, if preferred)*

ATTACHED

STANDARD 7: DECLARED STEWARDSHIP POLICY

YES NO

- | | | |
|--|--------------------------|--------------------------|
| 1. Does any person or organization receive payment for service rendered on an incentive basis, such as percentage of funds raised or number of new donor names acquired? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Does the organization sell, lease, or in any other way permit another organization to use its donor information either in printed or electronic form? | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Does the organization have a written, board-approved policy concerning restricted gifts?
If yes, please describe how your organization communicates this policy to donors: | <input type="checkbox"/> | <input type="checkbox"/> |
-
-
-

Required Documents:

- > *Board policy on donor restricted gifts that is published, or to be published, in the organization's fundraising literature and on its website*

ATTACHED

NOTE: Compliance with Standard 9 using the sample code of accountability (see Attachment 3, Section C3) fulfils the requirements of Standard 7.

STANDARD 8: PROGRAM EFFECTIVENESS & EFFICIENCY

YES NO

- | | | |
|--|--------------------------|--------------------------|
| 1. Does the organization evaluate the effectiveness and efficiency of its programs on a regular basis? | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Is there a procedure to inform the governing body of the results of such evaluations? | <input type="checkbox"/> | <input type="checkbox"/> |

Required Document:

- > *Brief description of how programs are evaluated.*

ATTACHED

STANDARD 9: CODE OF ACCOUNTABILITY

YES NO

- | | | |
|---|--------------------------|--------------------------|
| 1. A <u>code of ethical fundraising and financial accountability</u> has been developed as a policy by the organization and has been approved by the board (<i>see Attachment 3</i>). | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. If "no" to the above, we undertake to approve such a code in a time-frame acceptable to CCCC. | <input type="checkbox"/> | <input type="checkbox"/> |

Required Document:

- > *Your board-approved "Code of Ethical Fundraising and Financial Accountability"*

ATTACHED

Please mail your completed application and fee of \$805.* to
Canadian Council of Christian Charities 1-43 Howard Avenue, Elmira, ON N3B 2C9
You may call the office with your credit card information (519.669.5137) or include a cheque with your application.
If you have any questions, please contact Curtis Towns, Manager, Certification by email (curtis.towns@cccc.org), phone (519.669.5137 x39), or fax (519.669.3291).

* An applicant pays the basic annual fee of \$805. Once an applicant is approved as a certified charity, there is an additional fee of \$43 per \$100,000 of official receipted income as per the charity's T3010 (Annual Information Return). The additional fee is billed on a pro-rata basis for the calendar year and is assessed at the time of approval. The maximum pro-rata fee is \$4,300.



CCCC Seal of Organizational Integrity and Accountability

STANDARDS

The CCCC Seal of Accountability is granted to Christian charities that have demonstrated verifiable compliance with the Standards of Accountability. The Standards are designed to

- promote effective Christian ministry;
- encourage Christ-honouring practices;
- advance best practices and high standards, rather than minimum legal requirements;
- publicly identify Canadian Christian charities that are worthy of the public's respect and trust.

The Standards promote more than risk management; they encourage the advancement of Christianity, fair treatment of donors and beneficiaries, and thorough evaluation of an organization's programs.

REQUIREMENTS FOR ONGOING COMPLIANCE

To maintain certification, charities must comply with the Standards of Accountability consistently and rigorously. Certified charities must also agree to comply with the annual review process and periodic (generally every four years) on-site field reviews.

Annual Reviews

The annual review is a Certified charity's yearly confirmation of compliance with CCCC's Standards of Accountability.

Field Reviews

On-site field reviews are another requirement for maintaining certification. These reviews are undertaken every three to five years and carried out by CCCC representatives for the purpose of reviewing additional documentation in detail and meeting with key personnel.

Note: Non-Compliance

Any apparent area of non-compliance identified during the annual review or field review will be communicated to the member along with a specified time frame for responding and/or compliance. CCCC will make every effort to work with charities to bring them into compliance.

STANDARD 1 - Declared Christian Ministry

Each member of the organization's governing board and any person designated as an officer of the organization in its governing documents, as well as key personnel, shall be required to affirm his or her commitment to the Christian faith as expressed in a clearly defined statement included in the organization's governing documents or bylaws as a condition of appointment to such board or office and thereafter by regular reaffirmations as determined by the governing board.

Commentary:

The words "board" or "governing board" mean the governing body, whatever it may be called.

A Christian organization needs to declare its theological position within the basic documents that give shape to the organization. The commitment of the governing board, the organization's officers and other key personnel to that declared theological position

of the organization is essential. Governing documents can be known as Articles of Incorporation, Letters Patent, Constitution, bylaws or similar document depending on the jurisdiction of incorporation.

The theological position, at a minimum, should include the commonly held and historic central tenets of the Christian faith, as are found for example, in the Apostles' and Nicene Creeds, or the CCCC Statement of Faith. The board members, the members of the corporation, the officers, and the key personnel should regularly (annually is recommended) give reaffirmation of agreement with the theological or doctrinal position of the organization. Such a theological or doctrinal position can be further evidenced by the adherence of all board members, officers and key staff members to a moral code of conduct that is consistent with and reinforces the statement of faith.

STANDARD 2 – Independent Active Governing Board

The organization shall have an active governing board of at least five members which holds meetings at least twice a year at which the agenda is not restricted to a specific issue or issues (e.g. to the appointment of officers).

- **A quorum for a meeting shall be at least a majority of the authorized number of the governing board members.**
- **The majority of the members of the governing board shall reside in Canada.**
- **No member of the governing board shall be entitled to receive, either directly or indirectly, any salary, wages, fees, commissions or other amount for services rendered to the organization.**
- **A majority of the governing board members must be at arm's length to each other and to the executive director.**
- **Each member of the governing board shall act in the best interest of the organization and shall not be controlled or restricted by any external entity or interest group that may have elected or appointed the individual to such governing board.**
- **There shall not be fewer voting members of the organization than members of the governing board.**

Commentary:

The word "Executive Director" means the one most senior employee (whether paid or volunteer) who is appointed by the governing board and is solely accountable to the governing board. Other common titles include Pastor, President and CEO.

"Arm's length" is as defined in the *Income Tax Act* (Canada) and generally means not connected by blood relationship, marriage or adoption.

Related to bullet 4, if a governing board of 8 persons included 2 married couples, a majority would not be at arm's length (i.e. 4 of 8 board members not at arm's length). Similarly, if a board of 8 persons included 1 married couple and their son, plus a board member who is the grandparent of the Executive Director, a majority would not be at arm's length (i.e. 4 of 8 board members not at arm's length). But if, for example, there were three brothers on the board and no one was related to anyone else, then a majority would be at arm's length (i.e. only 3 of 8 board members not at arm's length).

Public entities, including registered charities, are required by law to have an independent board of trustees or directors. Standard #2 determines that, to be effective, the board of trustees or directors of a Christian ministry:

1. Must be active. The board must convene a minimum of two regular business meetings annually.
2. Must be of reasonable size. A minimum of five members is considered necessary to permit the board to function effectively. However, the number of board members should not be so large that the board becomes ineffective.
3. Must limit the number of family relationships among directors, and between directors and the executive director and other officers. Directors so related must be in the minority to ensure the board's objectivity, both in appearance and in fact.
4. Must not provide remuneration or benefit of any kind to a board member for services rendered to the organization. (Two exceptions are allowed: one; to those organizations constituted by a Special Act of a provincial legislature or the Parliament of Canada, which specifically requires otherwise, as is the case for Presidents of some universities and two; Universities whose accrediting body requires a faculty member to be appointed to the board (if common law does not preclude this

appointment). The standard does not, of course, preclude reimbursement for out-of-pocket expenses to a director. Where the spouse of a director is employed by the organization, the remuneration paid to the spouse is an indirect benefit to the director and in contravention of the standard. Bylaws may provide for ex-officio, non-voting members (including employees), but their number must not exceed 20% of the number of directors.

5. Must not be accountable for the exercise of the board's powers and authority to the board of another organization. A member of the board, if appointed by another organization, must always act in the best interests of the charity of which he or she is a director. The board member is not a delegate of another organization and must not act as such. A member of the board of a charity must not only be, but must appear to be, above reproach in all his dealings with the organization. No real or perceived conflict of interest should exist.

Note: When a director is an employee of a firm or company doing business with the charity and the amount the charity pays for a service or product does not have an impact on the director's income, it will be considered compliance. A member charity doing business with the bank branch where the branch manager is on the board or buying insurance from a company where an employee of the insurance company (not the commissioned salesperson) sits on the board are examples of situations that would be considered complying with the standard.

STANDARD 3 – Independent Audit

The organization shall prepare financial statements within a reasonable period after the end of each fiscal period which shall be prepared in accordance with Canadian accounting standards for not-for-profit organizations and be signed by two members of the governing board on behalf of such board. A public accounting firm which is licensed or otherwise authorized to practice public accounting in the jurisdiction which governs the organization shall be engaged to express a written opinion on the presentation of the financial information in such statements or, if applicable for small organizations, conduct a review engagement.

Commentary:

A financial statement audited by a qualified professional is the generally accepted means of earning credibility with the public and with government authorities. To use such expertise is a minimum requirement for Christian ministries seeking to honour God and demonstrate sound stewardship. "Within a reasonable period," as a minimum means that such audited financial statements are prepared in time to meet all statutory and regulatory reporting requirements (typically within six months of the fiscal year end).

Small charities, if they choose, and if permitted by law in their jurisdiction, can opt to have a *Review Engagement*, performed by an external qualified professional rather than an audit. Small is defined as an organization with less than **\$250,000** in total annual revenue (Line 4700 of the T3010 Charity Information Return.)

STANDARD 4 – Public Financial Disclosure

The organization shall provide to anyone, upon request, a copy of its most recent financial statements, as defined in Standard 3, together with the report thereon of the organization's auditor.

Commentary:

This standard requires that the audited financial statements be sent or provided to anyone who requests them. There are no exceptions in the standard under which certain people, organizations, classes of people or classes of organization could be excluded as recipients of the report. Supplying financial summaries contained in newsletters, brochures, or promotional literature does not satisfy the requirement of Standard 4.

STANDARD 5 – Audit Review Committee

An audit review committee with a minimum of three members shall be appointed by the governing board. The audit committee must have at least three members who are members of the governing board. The governing board may appoint individuals to the audit committee who are not members of the governing board, provided that at all times a majority of the audit committee members are members of the governing board. All members of the audit committee shall be at arm's length. The audit committee shall meet at least annually to:

- review internal controls, financial policies.
- review the audit program of the auditor.
- review the annual financial statements and discuss such statements with the auditor.
- make written recommendations to the governing board with respect to such statements and the fees to be paid for audit services.
- present minutes of its meetings to the governing board as evidence of having responsibly discharged its mandate.

Commentary:

Arm's Length: See commentary under Standard 2.

The audit review committee (ARC) performs fiduciary duties on behalf of the board as a whole, hence the requirement that board members form the majority of this committee. To be objective, the committee must be independent of management and unencumbered by family relationships between its members and management. All members of the committee must be at arm's length to all other members of the committee.

Such a committee has the responsibility to assure itself and the governing board that the organization's financial policies, functions and fiduciary responsibilities are fully met. The appointment of an independent public auditor should be based on the recommendation from this committee. The ARC would also review the audit report and forward it to the board with its own evaluation.

(NOTE: Appointment to the committee of individuals who are not directors is possible only if the committee reports to the board, as opposed directly to the membership.)

See Attachment 2 for a sample ARC meeting agenda. Other ARC resources are available on CCCC's Member Resources website.

STANDARD 6 – Pursuit of Integrity

The organization shall carry on its activities with the highest standards of integrity, adhering to applicable laws and in accordance with its governing documents. The organization shall respect its position as a fiduciary for the public in carrying out its mission. The organization shall respect the dignity and privacy of those who benefit from the organization's activities.

Commentary:

This standard sets out the principle that the charity is responsible to Jesus Christ for Stewardship of His assets and reputation.

Inherent in this standard is the need to observe both the letter and the spirit of all laws governing the charity. This includes: a spirit of Christian stewardship of the resources entrusted by God and by donors to be used in the advancement of God's kingdom; an attitude of openness concerning a member organization's accountability of its stewardship; a sense of humility and gratitude for the material blessings God has provided; and a desire to be an example of Christian integrity are all in keeping with the purposes and practices encompassed in this standard.

It sets out the principle that the investment donors make in God's kingdom does not constitute a right of ownership of God's gifts but rather confers a responsibility of stewardship on the charity. Any acquisition or holding of assets can be only as a means to an end, not a goal in itself.

At the same time, the standard addresses the need for the organization to maintain confidentiality of information it has on the people it serves. In their contact with an organization's beneficiaries, the staff and volunteers of a charity sometimes receive personal information about these beneficiaries. This information must be treated with appropriate care in order to maintain confidentiality and respect for the person's right to privacy.

To assist organizations to recognize and manage risk, CCCC recommends that governing boards have, implement and review regularly a risk management policy and plan.

STANDARD 7 – Declared Stewardship Policy

The organization shall guide and assist individuals in the stewardship of property which the Lord has entrusted to them. To carry out this role, the organization shall provide or make available adequate training for its stewardship representatives and consultants. The organization shall have policies which provide or state that:

- 1. No portion of the remuneration of stewardship representatives and consultants shall be based on gifts received by the organization or gifts committed to it;**
- 2. Donors are advised and encouraged to seek independent professional advice before making a gift to the organization which, in the opinion of the organization's stewardship representative or consultant, might significantly affect the donor's financial position or income or might adversely affect the donor's relationship with family members;**
- 3. Donors are provided with comprehensive and current information regarding the organization and its ministries;**
- 4. Gifts which are restricted to the support of a particular ministry of the organization, or gifts which are to be used for a particular program or project approved by the organization, are used solely for such purpose or purposes;**
- 5. Gifts will not be accepted for projects or purposes which are not within its objects or have not been approved by the organization;**
- 6. A contribution restricted to a particular approved program or project will be used for the purpose for which it was given subject to certain specific situations such as when a project is oversubscribed or terminated. The organization shall publish its donor restricted funds policy on all appropriate fundraising materials and website; and**
- 7. The organization shall maintain confidentiality of all information about donors and mailing list addresses. The contributor or prospective contributor list will not be exchanged, rented or otherwise shared with other organizations.**

Commentary:

Standard 7 addresses the need for the organization to have declared policies pertaining to its stewardship practices. These apply in relation to its own property, to the property of a donor, or to the manner in which its stewardship representatives approach and deal with a prospective donor. The interests and dignity of the donor must always be held foremost in mind when interacting with a donor.

Related to point 1, compensation policies for fundraisers are to be consistent with the policies and practices that apply to all the organization's personnel;

Related to point 6, and to avoid being legally precluded from using restricted funds for other projects where for example a project is oversubscribed or is terminated, the following policy (or similar wording) must be published in the charity's fundraising literature and website:

Spending of funds is confined to [board/charity] approved programs and projects. Each contribution directed toward an approved program or project will be used as restricted with the understanding that when the need for such a program or project has been met, or cannot be completed for any reason as determined by the [board/charity], the remaining restricted contributions will be used where most needed.

Note: Adopting and following the sample Code of Accountability (see Standard 9) will satisfy compliance with Standard 7.

STANDARD 8 – Program Effectiveness & Efficiency

The effectiveness and efficiency of the organization’s activities are monitored by the governing board.

Commentary:

This addresses the need for organizations to be aware of and consider the outcomes of its activities. As a result, it can be said with confidence that the donors and beneficiaries are receiving appropriate value for contributions in relation to the resources applied.

STANDARD 9 – Code of Accountability

The organization’s governing board shall develop a Code of Ethical Fundraising and Financial Accountability that sets out how the organization meets the points outlined in Standards 1 to 8 and shall regularly communicate its commitment to ethical fundraising and financial accountability as outlined in the Code to its board members, staff members, volunteers and anyone interested in how the CCCC Standards are being met.

Commentary:

CCCC Standards have always addressed a breadth of accountability issues. Bringing these issues into a written code not only facilitates the public communication of its standards of accountability but promotes a greater internal awareness of the organization’s standards and policies.

- This sample document is provided as a general guideline to assist CCCC member charities.
- This information does not constitute legal or other professional advice.
- Appropriate modifications are required to suit the facts applicable to each situation.
- Where the intent is to use this sample, it should be provided to legal counsel along with appropriate instructions to meet the specific needs and circumstances of the charity.

Audit Review Committee – Sample Agenda

(for post-audit meeting by teleconference)

1. (Begin with roll call and list participants by category)
2. (Confirm that each participant has a copy of draft audited financial statements, complete with Auditor's Opinion and notes)
3. Review agenda and confirm
4. Review the financial statements with the independent auditors.
 - Auditor's Opinion: is it unqualified? If not, why not? What can/must be done to remove qualification?
 - Statements: does presentation meet Canadian accounting standards? Address questions, concerns raised by any of the group
 - Notes: do they provide adequate disclosure?
 - Authorize finalization of financial statements and notes (as amended)
5. Review the adequacy and effectiveness of the organization's internal accounting and financial controls with the independent auditors and financial management. Consider ways to improve these controls and whether the accounting and financial policies are adequate. Review the auditor's Memorandum of Recommendations, if any.
6. Meet separately with the independent auditors (management goes on 'hold' for a few minutes).
 - auditor is asked to be candid about any concerns he has about management and/or how audit went.
 - management rejoins the meeting
7. Auditor hangs up. Management is asked to be candid about performance of auditor. Should this auditor be retained again for next year?
8. Resolution to recommend approval of the audited financial statements by the directors.
9. Resolution to recommend re-appointment of auditor by the members; or resolution to recommend to the board to tender the audit.
10. (Prepare minutes for presentation to next board meeting)

- This sample document is provided as a general guideline to assist CCCC member charities.
- This information does not constitute legal or other professional advice.
- Appropriate modifications are required to suit the facts applicable to each situation.
- Where the intent is to use this sample, it should be provided to legal counsel along with appropriate instructions to meet the specific needs and circumstances of the charity.

- This sample document is provided as a general guideline to assist CCCC member charities.
- This information does not constitute legal or other professional advice.
- Appropriate modifications are required to suit the facts applicable to each situation.
- Where the intent is to use this sample, it should be provided to legal counsel along with appropriate instructions to meet the specific needs and circumstances of the charity.

Ethical Fundraising and Financial Accountability Code

A. Responsibility to the Donor

1. All contributors to [name of organization] that are not themselves registered charities are entitled to receive an official receipt for income tax purposes for the amount of eligible contributions made in cash or for the fair market value of the property contributed. The governing board may establish a minimum amount for the automatic issuance of official receipts, in which case smaller contributions will be receipted only upon request.
2. All fundraising solicitations by or on behalf of our organization will disclose our full legal name and the purposes for which funds are requested. All contribution appeals will contain the statement in C. 3. below.

Printed solicitations (however transmitted) will also include our address or other contact information.

3. Contributors and prospective contributors are entitled to receive the following information, promptly upon request:
 - a. our most recent annual report and audited financial statements as approved by the governing board and the membership
 - b. our charity registration number (BN) as assigned by Canada Revenue Agency
 - c. any information contained in the public portion of our most recent Charity Information Return (Form T3010)
 - d. a list of the names of the members of the governing board
 - e. a copy of this Ethical Fundraising and Financial Accountability Code
4. Contributors and prospective contributors are entitled to know, upon request, whether an individual soliciting funds on our behalf is a volunteer, an employee, or a fundraising consultant.
5. The privacy of contributors will be respected, including their right to remain anonymous, unless information must be released by law. Contributors have the right to receive a copy of their own contribution record and challenge its accuracy.
6. The contributor or prospective contributor list will not be exchanged, rented, or otherwise shared with other organizations.
7. Contributors and prospective contributors will be treated with respect. Every effort will be made to honour their request to
 - a. limit the frequency of solicitations
 - b. not be solicited by telephone or other electronic technology
 - c. receive printed material concerning our specific fundraising appeals
8. The organization will respond promptly to a complaint by a contributor or prospective contributor about any matter that is addressed in this *Ethical Fundraising and Financial Accountability Code*. A designated staff member or volunteer will attempt to satisfy the complainant's concerns in the first instance. A complainant who remains dissatisfied will be informed that he/she may appeal in writing to our governing board or its designate and will be advised in writing of the disposition of the appeal. A complainant who is still dissatisfied will be informed that he/she may notify the Canadian Council of Christian Charities in writing of his/her concerns.

B. Fundraising Practices

1. Our fundraising solicitations will
 - a. truthfully describe our projects or programs for which the contributions will be used
 - b. respect the dignity and privacy of those who benefit from our activities in pursuit of our objects
2. Volunteers, employees, and hired fundraisers who solicit or receive funds on our behalf shall
 - a. adhere to the provisions of this *Ethical Fundraising and Financial Accountability Code*
 - b. act with fairness, integrity and in accordance with all applicable laws
 - c. adhere to the provisions of the applicable professional codes of ethics, standards of practice, etc.
 - d. cease solicitation of a prospective contributor who identifies the solicitation as harassment or undue pressure
 - e. disclose immediately to the organization any actual or apparent conflict of interest
 - f. not accept contributions for projects or programs that have not been approved by our board
3. Paid fundraisers, whether staff or consultants, will be compensated by a salary, retainer, or fee, and will not be paid finders' fees, commissions, or other payments based on either the number of contributions received or the value of funds raised. Compensation policies for fundraisers will be consistent with our policies and practices that apply to all our personnel.
4. If an external fundraiser is retained, access to our master contributor list will be limited and will be kept under strict control.
5. The governing board will be informed at least annually of the number, type, and disposition of complaints received from contributors or prospective contributors about matters that are addressed in this *Ethical Fundraising and Financial Accountability Code*.
6. Our donors will be kept fully informed with comprehensive and current information about our organization and its ministries.
7. Contributors will be encouraged to seek independent professional advice before making a significant gift to ensure that the proposed contribution will not adversely affect the contributor's financial position or his or her relationship with family members.

C. Financial Accountability and Organizational Integrity

1. The governing board shall be comprised of responsible individuals, the majority of whom are Canadian residents. No member of the governing board shall be employees of the organization or otherwise receive compensation from the organization except as authorized by law.
2. The governing board shall
 - a. hold at least two full-agenda meetings each year
 - b. create policy for the organization
 - c. maintain effective control over the organization
 - d. establish a proper financial reporting system which permits the production of annual operating statements and a balance sheet, showing reasonable detailed information that
 - a. is factual and accurate in all material respects
 - b. identifies government grants and contributions separately from other contributions
 - c. is prepared in accordance with Canadian accounting standards for not-for-profit organizations
 - e. ensure that the organization at all times operates within the limits of and in accordance with the objects in its governing documents
 - f. take seriously its responsibility to be conversant with and comply with federal, provincial, and municipal laws and regulations
 - g. ensure that the organization is open and accurate in all its dealings

- h. not permit any officer, member of the governing board, or staff member of the organization to receive royalties for the use of any property of such person that is used for fundraising or promotional purposes by the organization
 - i. not permit the payment of fees for service that is based on a percentage of funds raised or is based on another form of paying commissions
 - j. ensure that the organization appropriately serves the interests of each contributor or potential contributor by encouraging representatives of the organization to emphasize the concern of the organization is to nurture responsible stewardship on the part of the contributor
 - k. avoid questionable motives or programs that are not factual or that negate the contributor's sound judgement
 - l. require responsible stewardship on the part of our representatives through effective training and cost controls
 - m. ensure that the organization or its representative does not by any means, either directly or indirectly, induce a contributor or other constituent to transfer to it a benefit from any other organization or purpose
 - n. ensure that all government prescribed returns such as the Registered Charity Information Return (T3010) and voluntarily produced reports will be prepared factually, accurately, and on a timely basis
 - o. ensure that sufficient funds will be spent on administration and fundraising (where appropriate) to assure effective and efficient management of our resources
 - p. ensure that the organization meets or exceeds its disbursement requirements imposed by section 149.1 of the *Income Tax Act, Canada*
 - q. review the cost-effectiveness of our programs and report thereon in our annual report
3. A restricted contribution designated in support of a program or a single project which is approved by the board will be used for the purpose for which it was given. We make our policy dealing with donor designated funds known to all donors and potential donors by printing it on all fundraising material. To avoid being legally precluded from using designated funds at all if a project is oversubscribed or is terminated, the following policy is in place and is published:

"Spending of funds is confined to [board/charity] approved programs and projects. Each contribution directed toward an approved program or project will be used as restricted with the understanding that when the need for such a program or project has been met, or cannot be completed for any reason as determined by the [board/charity], the remaining restricted contributions will be used where most needed."

The board of [name of organization] has adopted the preceding Code as its policy. In so doing, the governing board commits itself to being the responsible custodian of contributions received to pursue the organization's objects, to exercise due care concerning the governance of fundraising and financial reporting, and to ensure, to the best of its ability, that the organization adheres to the provisions of the Code. It is hereby confirmed that each member of the governing board and staff has received a copy of the Code and that a copy will also be provided to each person who is subsequently elected to the governing board or appointed to the staff.

Signed at _____, _____, this _____ day of _____, _____.

I am an authorized signing officer

- This sample document is provided as a general guideline to assist CCCC member charities.
- This information does not constitute legal or other professional advice.
- Appropriate modifications are required to suit the facts applicable to each situation.
- Where the intent is to use this sample, it should be provided to legal counsel along with appropriate instructions to meet the specific needs and circumstances of the charity.