

Ethics in Fundraising

Asking for - and receiving - donations comes with some special ethical considerations. Fundraising in its truest form is about relationships and when relationships and money are mixed the possibility for ethical quandaries abound.

The Association of Fundraising Professionals has an in-depth [code of ethics](#) that its members follow. Many people who dedicate large portions of their time to fundraising for an organization are well versed in the ideas presented there. However, we often ask our volunteer board members to participate in fundraising activities without ensuring that they have a good base of knowledge around ethical issues that may arise. This resource strives to capture some of the key concepts.

Honesty & Respect

Offer an honest and accurate representation of why you're asking for a donation. Openly answer any questions the donor may have. If you don't have the answers, let them know you will get them the answers and follow through on that promise.

Transparency

Know where and how a donor can access public information about the organization. Is the organization's most recent IRS Form 990 available on your website? Make sure the organization's Guidestar listing is up to date.

Be direct and transparent about how the funds will be used. Be well versed in the value proposition so that you can explain the benefit that will be realized by using the funds in that way.

Conflict of Interest

Identify and report potential conflicts of interests. It is not uncommon for individuals to serve on more than one board at a time. When both organizations are asking the board member to raise funds, it can lead to divided loyalties that both nonprofits need to be aware of. It is also important to look at any pre-existing relationships you have with the prospective donor. If they are or were a

client or patient or had any relationship with you where there was a power differential, you need to use caution. Sometimes you need to ask if someone else can make that connection.

Privacy

Be familiar with your organization's privacy policy. Make sure you know the donor's preference for anonymity and for future contact from you and from the organization.

Integrity

If a donor places restriction on how the funds can be used, make sure to evaluate whether those restrictions are in-line with the organization's mission and values. If a donor places unrealistic restrictions on a gift, it is best to decline the gift graciously (after consulting with board and/or key staff).