

Caring for Vulnerable Donors

1. What is this about?

Fundraising can take place via different channels, including people shaking tins on street corners, running online or social media campaigns, sending direct mail, or building long-term relationships. As a general rule, larger gifts tend to come from long term relationships, as it is a truism that “people give to people”.

The highest aim of Christian fundraising is for the fundraiser to invite the donor into a new way of relating to their resources as part of their spiritual journey with Christ. The Apostle Paul captures the essence of this relationship in Philippians 4:17: “Not that I am looking for a gift, but I am looking for what may be credited to your account.” Essentially Paul is thinking not only of the interests of the *recipient* of the gift, but also the interests of the *donor*.

This necessarily involves building a relationship between the fundraiser and the donor of trust and exploration, whereby the fundraiser educates or develops the donor in their responsibilities and options for how to deal with their wealth. Sometimes these relationships are formed easily and quickly, but often they are built over many conversations and much prayer, especially where the gift being sought, or the capacity of the donor to give, is substantial.

It is possible in such relationships that the donor is or becomes elderly, uncertain, or otherwise dependent upon the fundraiser. In such circumstances of vulnerability it is of critical importance for the fundraiser not to take advantage of the relationship in any way.

In particular, the fundraiser should never solicit or accept a gift in the knowledge that the donor is unable to afford it or would be adversely financially compromised by making the gift. This is the case even though the gift may be put to the very best of Christian purposes. A gift accepted in such circumstances is not a gift at all – it is tantamount to theft.

This situation is to be contrasted with acts of sacrificial giving, where the donor in full understanding of their circumstances and of their own absolute free will chooses to make a substantial gift from their resources (Mark 12: 41-44).

CMA Standards Council Standard 9.4 has been developed to deal with this issue:

“Organisations must ensure that their representatives do not take improper advantage of any fiduciary relationship of trust the representative may have with the potential donor. An organisation must not knowingly accept a gift if it appears to the organisation that it is a major financial commitment by the donor and the donor has not considered his or her financial capacity to make the gift.”

2. Who is a “Vulnerable Donor”

At the outset, situations where the donation is clearly insignificant or immaterial to the donor can be ignored. Likewise, situations where there is no reasonable possibility of the fundraiser becoming aware of the donor’s personal situation (eg online donations, responses to direct mail, street collections, raffles, fetes, fundraising events) can also be ignored.

It is not the task of a fundraiser to proactively make enquiries about the circumstances of any donor unless first put on notice that there may be some element of vulnerability. A fundraiser is entitled to take a potential donor at face value in the absence of any obvious warning signals. Circumstances which could give rise to vulnerability could include donors:

- (a) with obvious intellectual disabilities that affect comprehension or understanding;
- (b) with obvious physical or mental health issues;
- (c) who do not fully understand the language the fundraiser is speaking;
- (d) the fundraiser knows are experiencing financial difficulty;
- (e) the fundraiser knows are experiencing stress or anxiety;
- (f) obviously under the influence of alcohol or drugs;
- (g) who are clearly unable to care for themselves;
- (h) who are elderly (especially those without close support); or
- (i) who are young.

Another type of vulnerable circumstance would include where the fundraiser and the potential donor have a close, often long-term, relationship in which the donor is or has become dependent on the fundraiser for emotional, financial or spiritual advice, for example, where the donor is a close elderly relative, or a long-term parishioner.

Finally, a vulnerability will only arise if the size of the donation is obviously material to the donor. A fundraiser would only be expected to be aware of this in the case of a relatively large donation, or where the relationship between the fundraiser and the donor is such that the fundraiser has a fair idea of the donor's financial circumstances.

3. How to meet the Standard

The CMA Standards Council does not seek to prescribe how any organisation must meet any Standard. Each organisation is different and will meet the Standard in its own relevant way. However, for any organisation which is seeking guidance about how to meet this Standard, here are some possibilities:

(a) Training

If your organisation has staff specifically tasked with fundraising duties, or if any training is provided by your organisation for fundraising generally, or for a particular appeal, it would be a good opportunity to raise these issues perhaps in a discussion or through an example situation followed by discussion. Another alternative could be to give this Resource Paper to your fundraisers to alert them to the issues.

(b) Donor care policy

Many organisations have a Donor Care Policy, or a Donor's Bill of Rights or similar which is published on its website or made available to donors. This issue could be set out in that document and made available to all fundraisers for your organisation.

(c) Employee or Volunteer Code of Conduct

Your organisation may require its employees or volunteers to sign or commit to a code of conduct about how fundraising is to be undertaken. The issue could also be addressed in that document, with an offer to discuss it further if the employee or volunteer seeks further clarification.

4. Sample Policy Wording

If you wish to have a written policy on this issue, here is a sample of one which could prove a useful starting point if you wish to draft one:

Respect for the Financial Situation of a Donor or Potential Donor

Donors and potential donors may have a significant commitment to *[name of organisation]* and its activities. In some cases, a person's passion for the work may create a desire to give even beyond their financial capacity.

[Name of organisation] will not knowingly accept a gift from a person if it is clear that the person has not considered their financial capacity to give that gift.

If any representative of *[name of organisation]* becomes aware of a situation where a potential donor wishes to give a gift of a size that may represent a major commitment for that person and the potential donor may not have considered their financial capacity to give that gift, the representative must advise the CEO or a member of the Board of the situation. The CEO or Board Member will then arrange a respectful and sensitive process of further understanding the situation, caring for the person and forming an opinion about whether that person has appropriately considered their capacity to give the proposed donation. Whilst being respectful of any potential donor's desire to make a sacrificial gift, if it appears that the financial capacity to give the gift has not been appropriately considered by the person, the gift is not to be accepted and the person may be advised to seek independent financial advice.

In a code of conduct scenario, the above is often accompanied by further policies, such as the following:

Respect for Donor's Wishes for the Use of a Donation

[Name of organisation] will honour statements made about how gifts it accepts will be used.

[Name of organisation] may develop policies about which gifts it will accept and under what conditions, either generally or on a case by case basis. However, if a gift is accepted and the donor has applied any special instructions or conditions to that gift, those instructions or conditions will be honoured. If *[name of organisation]* cannot or is not prepared to comply with donor instructions attached to a gift received, the situation will be discussed with the donor and the gift either respectfully returned to the donor or dealt with in an alternate manner directed by the donor and acceptable to *[name of organisation]*.

Of course, you may wish to add other matters to any such document. Some organisations also choose to request their fundraising staff to sign a copy of the policies or sign an acknowledgement that they have read and will abide by the policies for evidentiary and record-keeping purposes.