

# Standard of Direct Mail Fundraising Practice

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The Standard of Direct Mail Fundraising Practice provides guidelines for best practice and ethical conduct of fundraising practice.

This standard must be read in context with FINZ's Codes of Fundraising Practice, including the Code of Ethics and Professional Conduct, Code of Fundraiser's Relationship with Donors and FINZ Complaints Process.

If there is a conflict between the provisions of this standard and legislation, the legislation prevails.

## 1. To whom does this standard apply?

- 1.1 This standard applies to FINZ members. FINZ can only monitor this standard and enforce it, if necessary, against an FINZ member.
- 1.2 This standard does not replace nor override the applicable New Zealand legislation.

## 2. Professional conduct

2.1 A fundraiser must at all times:

- a) comply with the FINZ Codes of Fundraising Practice and this standard;
- b) clearly provide a donor with an opportunity to accept or decline an invitation or offer to make a donation;
- c) accept a refusal by a donor of an invitation or offer to make a donation and do so courteously and promptly;
- d) accept a request by a donor not to receive promotional materials concerning the organisation;

- e) accept a request to provide promotional materials to the donor;
- f) be aware of the objectives of the organisation and the fundraising activity.

2.2 Where a fundraiser has not received any response from a donor they may continue to mail that donor unless they are a prospective donor and their name obtained by way of a purchased list.

2.3 In the following situations, the fundraiser should act accordingly:

- a) If the donor requests not to receive mail of a particular kind or any mail, a fundraiser should ensure that the donor's contact details are removed from the organisation's relevant mailing lists.
- b) If the mail is returned to the organisation, a fundraiser should mark the record accordingly but may retain the donor's details in order for the fundraiser to make a reasonable attempt to ascertain the donor's change of address or to use to avoid re-mailing to them via a purchased list.
- c) If the organisation is notified that the donor is deceased, a fundraiser should immediately flag the donor's contact details for exclusion from all mailing lists. The organisation may retain the donor's contact details on its database in accordance with relevant legislation.

### **3. Information disclosure**

3.1 A fundraiser must further provide the following information to a donor immediately upon receiving the donor's request:

- a) the organisation's contact details, including a telephone number and street address; and
- b) the name of the person who is responsible for handling donor feedback for direct mail.

3.2 A fundraiser must further provide the details of the source from which the organisation obtained the donor's contact information to a donor within a reasonable time after a donor has requested it, not exceeding 30 days, from receipt of the donor's request.

### **4. Outsourcing direct mail**

4.1 When a fundraiser engages a supplier to conduct a fundraising activity by direct mail, the fundraiser should ensure the following requirements are observed:

- a) The organisation must have a written agreement with a supplier;

- b) A supplier should ensure that the employees or volunteers do not receive a percentage of the funds raised;
- c) A supplier should not undertake a direct mail fundraising activity that requires percentage-based payment;
- d) A fundraiser should comply with FINZ Codes of Fundraising Practice and this standard; and
- e) A fundraiser must comply with relevant New Zealand legislation.

4.2 A fundraiser should ensure that suppliers of direct mail services operate in accordance with recognised quality management systems.

## **5. Follow-up procedures**

5.1 Any organisation or company conducting a fundraising activity by direct mail should have follow-up procedures including:

- a) A receipt should be sent to the donor informing them of the details of their donation. The receipt should include:
  - i. the date of the donation;
  - ii. the amount of the donation;
  - iii. the donor's name and contact details;
  - iv. the organisation's identifying number;
  - v. the frequency of the donation;
  - vi. a unique identifying code.
- b) The receipt should be sent to the donor within a week of the donation.
- c) All record keeping must comply with the Privacy Act 1993 and any other relevant legislation.

## **6. Promotional materials**

6.1 A fundraiser must ensure that any promotional material used:

- a) is factually accurate, truthful and not likely to deceive or mislead any person;
- b) identifies the organisation and its contact details for which the promotional material will be distributed;
- c) identifies the objective of the organisation;
- d) complies with the Fair Trading Act 1986, (in particular those sections relating to misleading and deceptive conduct and false and misleading representations);

e) is only sent in compliance with the Unsolicited Electronic Messages Act 2007 and any other relevant New Zealand legislation; and

f) is approved by the organisation.

6.2 Where a fundraiser discloses a cost of fundraising in promotional materials, that cost must be factually accurate.

6.3 A fundraiser must make the current annual report of an organisation they represent freely available upon a reasonable request.

6.4 Enclosures in promotional materials packs:

- a) should enhance the objectives of the organisation or the purpose of the fundraising activity;
- b) should not cause inconvenience or embarrassment in delivery.

6.5 Promotional materials must not include images which are derogatory of a person, group of people or any organisation, discriminatory, pornographic or endorse violence.

6.6 Promotional materials should not be sent knowingly to children under the age of 18 unless they have been requested. For further guidelines, fundraisers are referred to FINZ's Standard of School Fundraising Practice.

## 7. Use of logos and trade marks

7.1 If the organisation has a trade mark associated with or used in connection with it, a fundraiser must ensure that the organisation has given permission for the use of the trade mark and take all reasonable steps to prevent its unauthorized use by third parties including suppliers or the media.

## 8. Compliance and management of complaints

8.1 FINZ members must comply with FINZ's Codes & Standards of Fundraising Practice and relevant legislation including the Fair Trading Act 1986 and the Privacy Act 1993.

8.2 Complaints concerning this standard or the conduct of a FINZ member will be determined by the FINZ Ethics Committee in accordance with the FINZ complaints process.

## Definitions

**Beneficiary** means any person or entity which receives a benefit from an organisation in pursuance of the organisation's objects.

**Child or Children** means a child under the age of 18.

**Company** means an entity incorporated under the Companies Act 1993 and established for the purpose of profit.

**Complaint** means a notice in writing sent by any person to FINZ, by way of a completed FINZ complaints form, concerning an alleged breach by an FINZ member of any part of the FINZ Principles and Standards of Fundraising Practice.

**Direct Mail** means the marketing of goods or services or the seeking of donations through mail where donors are invited to respond.

**Director** means a person who is appointed or elected to the position of a director of an organisation or a company.

**Donation** means a voluntary contribution by a donor of money, property, goods or services to an organisation for the purpose of furthering that organisation's objects. It does not include a sponsorship or community business partnership.

**Donor** means an individual or other entity that makes a contribution of value to an organisation to further the organisation's objects. A donor includes prospective donors and an individual or entity that has previously made a donation. A donor does not include an individual or entity that engages with an organisation for the purpose of trade.

**Ethics Committee** means a committee established by the FINZ Board pursuant to the constitution for the purposes of making determinations on complaints.

**FINZ** means Fundraising Institute of New Zealand.

**FINZ member** means a person who is registered as a FINZ member.

**Fundraiser** means a person, company or organisation, who carries out activities, whether for remuneration or as a volunteer, for the purpose of raising donations for the objects of an organisation.

**Fundraising Activity** means an activity carried out by a person, company or organisation, whether for remuneration or as a volunteer, for the purpose of raising funds for the object of an organisation.

**Objects** means the objective, purpose or cause, however so defined in an organisation's constituent documents.

**Organisation** means an entity incorporated under legislation and established for a purpose other than profit.

**Professional Misconduct** means conduct by a FINZ member that is a violation of the Codes and Standards of Fundraising Practice that has serious adverse consequences to a complainant or was committed intentionally by the fundraiser or both.

**Promotional Material** means any material in connection with a donation, fundraising activity or an organisation whether in printed or electronic form made available by a fundraiser or organisation to any person.

**Sponsor** means a third party who sponsors a fundraising activity for an agreed outcome.

**Supplier** means a third party supplying goods or services for payment to a fundraiser and/or organisation.

**Tax** means all taxes payable in connection with a fundraising activity, including without limitation income tax, pay as you earn (PAYE) and goods and services tax (GST).

**Trade Mark** means a word or group of words, logo, image, colour, scent or shape (whether registered or unregistered) used by an organisation to identify the organisation.

**Unsatisfactory Conduct** means conduct by a FINZ member that is neglectful of the Codes and Standards of Fundraising Practice or that has minor adverse consequences to a complainant or both.

**Volunteer** means a person who performs a service for an organisation without requiring compensation for performing the service.