

Standard of Events Fundraising Practice

The Standard of Event Fundraising Practice provides practical guidelines to FINZ members on best practice for conducting events fundraising activities throughout New Zealand.

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

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

Two appendices are included for the assistance of FINZ members. Appendix 1 sets out a model procedure for staging an event. Appendix 2 sets out a model risk management assessment plan. Note that information in the appendices is included for the guidance of FINZ members and is not intended to be a substitute for FINZ members' own inquiries.

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 a FINZ member.
- 1.2 This standard does not replace nor override the applicable New Zealand legislation.

2 Establishing an event programme

2.1 Event feasibility check

- a) Each event should be assessed for its own levels of efficiency and profitability according to the written plan set before the event, with goals set for its production that may work towards:
- identifying areas of improvement,
 - control of expenses,
 - an increase in number of participants.
- b) The event procedure should include the following criteria:
- objectives;
 - planning;
 - organisation;
 - administration;
 - evaluation
- c) Appendix 1 sets out a guideline for a model event procedure for the guidance of fundraisers and organisations.

2.2 Objectives planning

- a) FINZ recognises that each fundraiser and organisation may have its own specific objectives in relation to an event. To assist its members, FINZ has identified a number of objectives for operating a successful event. These are to:
- raise money;
 - educate the organisation's constituency;
 - nurture or cultivate supporters;
 - attract new donors and supporters;
 - expand the organisation's network;
 - solicit endorsements;
 - market the organisation and raise awareness;
 - disseminate information;

- thank supporters;
 - give awards;
 - launch an organisation or a project or programme of an organisation
- b) A fundraiser must
- (i) set objectives in accordance with section 2.2.1 for each event; and
 - (ii) have written documentation of the objectives.

2.3 Planning an event

- a) A fundraiser must at all stages in planning an event comply with FINZ's Codes of Fundraising Practice and this FINZ standard.
- b) The target audience should be determined in advance to the planning of the event.
- c) To facilitate compliance with section 2.1 by a fundraiser, a fundraiser should comply with the key steps to implement a successful event which are:
- **before an event,**
 - establish an event profile, including the objectives, the rationale and the expected results;
 - prepare a budget;
 - analyse risks and prioritise risks by developing a risk management assessment plan. A model risk management assessment plan is set out in Appendix 2 as a guideline for fundraisers. However, fundraisers should develop their own risk management assessment plan tailored for their particular event;
 - execute written contracts with all suppliers supplying goods or services in connection with the event;
 - comply with all licensing and permit requirements in the region where the event is held;

- create promotional materials to present a fair assessment of the event. The promotional materials must comply with the Fair Trading Act 1986 and relevant New Zealand legislation, in particular that statements must not deceive or mislead (or be likely to deceive or mislead) any person; and
 - **after an event,**
 - write a report for the organisation about the event evaluating the outcomes set for the event.
- d) A fundraiser should support an event only when they can demonstrate the event complies with the goals determined by the organisation in accordance with section 2.2.

2.4 Logos and trade marks

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

2.5 Promotional materials

- 2.5.1 A fundraiser must ensure that any promotional material used to promote an event:
- (i) is factually accurate, truthful and not likely to deceive or mislead any person;
 - (ii) identifies the organisation;
 - (iii) identifies the objective of the event;
 - (iv) complies with the Fair Trading Act 1986, (in particular those sections relating to misleading and deceptive conduct and false and misleading representations); and
 - (v) is approved by the organisation before work commences on promoting the event.

- 2.5.2 Where a fundraiser discloses a cost of fundraising in promotional materials, that cost must be factually accurate.
- 2.5.3 A fundraiser must make the current annual report of an organisation for which they represent freely available upon a reasonable request by a donor or participant.
- 2.5.4 Despite anything else in this section promotional materials may be part of a positive campaign by a fundraiser to build public awareness, understanding and support for the objects of an organisation.
- 2.5.5 The cost of publicity must be included in the event budget as an expense.

2.6 Budget

- 2.6.1 A fundraiser must prepare a budget before the commencement of an event.
- 2.6.2 A fundraiser must ensure that all expenses incurred in the budget are lawful and comply with FINZ's Code of Ethics and Professional Conduct.
- 2.6.3 A fundraiser must comply with:
- (i) recognised accounting standards of practice;
 - (ii) reporting, record keeping and payment requirements of the New Zealand Inland Revenue Department (IRD) and Charities Commission.
 - (iii) reporting and record keeping requirements of relevant local government legislation; and
 - (iv) FINZ's Code of Ethics and Professional Conduct.
- 2.6.4 A fundraiser should at all times make sure that they and/or the organisation have a donor recognition policy specifying levels of recognition donors receive for their donations.

2.7 Management of cash collection at the event

- 2.7.1 When planning an event, a fundraiser should plan to minimise the need for cash collections at the event.

- 2.7.2 A fundraiser must ensure that cash handling is secure at the event.
- 2.7.3 A fundraiser should pre-designate collectors to collect cash at the event.
- 2.7.4 If appropriate, cash receiving locations should be available at the event.
- 2.7.5 All cash received by a fundraiser should be collected, counted and recorded (including issue of receipts) by two people whenever practical to do so.
- 2.7.6 Income summaries should be made at the point of counting for reconciliation with banking details at a later date.
- 2.7.7 Records must be made of donations for specific purposes to ensure donors' wishes are met.

2.8 Financial return from an event

- 2.8.1 The gross proceeds of the event must be banked in accordance with the organisation's practice and applied in the following order:
 - (i) from the gross proceeds, deduct and pay all expenses (including tax where applicable) in connection with the event; and
 - (ii) apply the net proceeds to the purpose or objects of the organisation.
- 2.8.2 If a fundraiser does not comply with this guideline, FINZ will consider this to be professional misconduct and it will be dealt with in accordance with the FINZ complaints process.

3. Relations with stakeholders

3.1 Donations in kind

- 3.1.1 If a fundraiser is planning an event, a fundraiser should identify items to the organisation's donors and supporters that could be donated rather than purchased.
- 3.1.2 A fundraiser must comply with FINZ's Fundraiser's Relationship with Donors.

3.2 Sponsors

- 3.2.1 If a sponsor requires that an event is promoted by using the sponsor's trade mark, a fundraiser must ensure that the sponsor has given permission for the use of the trade mark and comply with the sponsor's requirements for its appropriate use in the event or the promotional materials.
- 3.2.2 A fundraiser must enter into agreements only with sponsors that acknowledge FINZ's Codes and Standards of Fundraising Practice.

3.3 Suppliers

- 3.3.1 If the event requires the entering into a relationship with a supplier or the hiring of a supplier on behalf of the organisation, a fundraiser should take all reasonable steps to ensure that:
- (i) the terms and conditions of a written agreement between the organisation and the supplier are fair and are congruent with the objects of the event;
 - (ii) the commissions, fees and expenses incurred are reasonable;
 - (iii) the organisation exercises proper controls and supervision over the supplier;
and
 - (iv) the organisation ensures all monies are being accounted for in a proper manner.

3.4 When a volunteer group undertakes both the running and funding of an event

- 3.4.1 Individuals or groups of people may wish to raise funds for an organisation by holding an event. Before entering into an agreement with any group wishing to conduct an event in the name of the organisation, a fundraiser should ensure that the event is authorised by the organisation. To do this, a fundraiser should liaise with the organisation.
- 3.4.2 A fundraiser must:

- (i) obtain written permission from the organisation to operate the event and use the organisation's trade marks in the proposed event;
- (ii) identify whether the volunteers or the organisation accept the financial risk of the proposed event and obtain the agreement in writing;
- (iii) ascertain in writing how much direct involvement the organisation will have in organising and implementing the proposed event;
- (iv) ask the organisation to brief all volunteers about the organisation's policy of acceptable and unacceptable methods or sources of fundraising in the organisation's name.

3.4.3 Volunteers must comply with relevant New Zealand legislation and local government regulations.

3.5 Identification of collectors

3.5 If required by New Zealand or local government legislation, volunteer collectors and paid collectors collecting donations on behalf of an organisation must display appropriate identification at all times during an event.

3.6 Working with children

3.6.1 If children are involved in volunteering with an event, a fundraiser must at all times comply with all New Zealand legislation and local government regulations.

3.6.2 Where children are participating in an event as volunteers, a fundraiser must ensure that the following practices are implemented by the organisation:

- (i) children under 12 years must be directly supervised by an adult at all times during the event;
- (ii) where a child is being paid wages or some other material benefit (other than reimbursement of reasonable out of pocket expenses), a record of employment must be maintained; including the following details:
 - a) the child's full name, residential address and phone number;
 - b) the child's date of birth;

- c) description of the nature of the employment;
- d) details of any consent provided by the child's parents or guardian (any written record to be retained);
- e) name, address and telephone number of the person immediately responsible for the child during the event; and
- f) records must also comply with any additional requirements under any relevant industrial award.

3.6.3 The organisation conducting the event should prepare a list of written instructions both for the children participating in the event and for their supervisors.

3.6.4 If participating in a fundraising activity, children should meet the standard requirements for identification including wearing an identification badge.

4. Compliance and management of complaints

4.1 FINZ members must comply with FINZ's Codes & Standards of Fundraising Practice and relevant New Zealand laws.

4.2 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 a FINZ member of any part of the FINZ Principles and Standards of Fundraising Practice.
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 Council pursuant to the constitution for the purposes of making determinations on complaints.
Event	means any fundraising activity in which a function is held to raise donations for the objects of an organisation.
FINZ	means Fundraising Institute of New Zealand
FINZ member	means a person or organisation 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 constitutional documents.

Organisation	means an entity incorporated under either the Incorporated Societies Act 1908 or the Charitable Trusts Act 1957 and established for a purpose other than profit.
Professional Misconduct	means conduct by an 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, electronic or verbal 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.

Appendix 1

Model Procedure for staging an event

Objectives
<ol style="list-style-type: none">1. To raise money;2. To educate the organisation's constituency;3. To nurture or cultivate supporters;4. To attract new donors and supporters;5. To expand the organisation's network;6. To solicit endorsements;7. To market the organisation and raise awareness;8. To disseminate information;9. To thank supporters;10. To give awards; and11. To launch an organisation or a project or program of an organisation.
Planning
<ol style="list-style-type: none">1. Develop a specific marketing plan for the event;2. Draft a master event timetable;3. Identify the amount of funds the organisation wants to raise, how and from whom?4. Prepare an event budget;5. Write a tactical plan for use of volunteers;6. Specify responsibilities for event leadership;7. Write a strategic plan for the event, including a risk management assessment plan and desired sponsorship criteria for the event.
Organisation
<ol style="list-style-type: none">1. Define and organise the event2. Recruit event team members;3. Identify attendees, for example:<ul style="list-style-type: none">• current donors;• past donors;• prospective donors;• honorary members;• past honourees;• political and prominent community leaders.
Administration
<ol style="list-style-type: none">1. Organisation timeline for event2. Administration systems – use appropriate systems for accounting, bookings, ticketing and receipts;3. Contracts – all agreements in writing between the organisation and the fundraiser; and between the fundraiser and/or the organisation and suppliers;4. Insurance – public liability; workers compensation; consider whether professional indemnity insurance needed; if outdoor event, wet weather insurance;5. Theme – identify theme for promotion of the event;6. Promotion material – organise design and printing.
Evaluation
<ol style="list-style-type: none">1. Evaluate outcomes set for the event;2. Report in writing to the organisation about the event and the evaluation of the event.

Based on "Key elements for a special event" in Wendroff, A (2004) Special Events; proven strategies for non profit fundraising (2nd ed.), John Wiley & Sons Inc, Hoboken, New Jersey.

Appendix 2 Model Risk Management Assessment Plan

A risk management assessment plan should:

1. identify risks at an event, including financial and liability
2. assess level of risks of an event
3. control identified risks
4. review risk assessments

Event risks may include but are not limited to:

- Physical risks such as damage to persons or property
- Financial risks
- Compliance risks such as compliance with occupational health and safety, licensing and child protection

A risk management assessment must be a written plan. Using a risk assessment matrix such as the matrix below will assist in identifying the risks and the likelihood of their occurring.

SAMPLE RISK ASSESSMENT MANAGEMENT PLAN

Identify risk	How likely is the risk ?			
	Scale 1 – 4, 1 = very unlikely, 2 =unlikely, 3 = likely, 4=very likely			
	VERY LIKELY	LIKELY	UNLIKELY	VERY UNLIKELY
EXAMPLES OF RISK				
Kill or cause permanent disability or ill health	1	1	2	3
Long term illness or serious injury	1	2	3	4
Medical attention required and personal leave for recovery	2	3	4	1
First aid needed	3	4	3	3

Risk management assessment must consider organisational and local government regulations on matters of public health and safety such as:

- traffic management
- noise management
- food safety
- waste management
- construction of temporary structures
- public event management
- contractor/volunteer management
- accident investigation
- evacuation procedures
- patron safety

Fundraisers and/or organisations must inform and where required obtain permission from relevant local government and territorial local authorities, for example:

- council
- police
- ambulance
- traffic authorities
- licensing authorities

Fundraisers must comply with relevant New Zealand legislation including workers compensation and occupational health and safety legislation.