

# OMA Learning Lab Winter Series

1

**Presented by:**

**OMAAAMO**  
ONTARIO MUSEUM ASSOCIATION  
ASSOCIATION DES MUSÉES DE L'ONTARIO



**Webinar 4: Museum and Fundraising  
Ethics**

# Webinar Agenda

2

- **Introduction**
  - Mary Collier, PD Program Manager, OMA
- **Presentation and Q&A (25 min)**
  - Sonja Tanner-Kaplash
- **Presentation and Q&A (25 min)**
  - Karen Alebon, Imagine Canada
- **Q&A with Ministry of Tourism, Culture and Sport (15 min)**
  - Museum & Heritage Advisor Elka Weinstein
  - Questions about the Ministry of Tourism Culture and Sport Governance and Finance standards

# Museum Ethics

3

**Sonja Tanner-Kaplash**  
**April 4, 2013**

# WHY ETHICS GUIDELINES ARE NEEDED

4

- Build goodwill, support & credibility in the community
- Facilitate the operation of museums on a day to day basis
- Used widely by many other types of organizations

# HOW ETHICS GUIDELINES SIMPLIFY THE MUSEUM OPERATION

5

- Identify for public, staff, volunteers and Board members what museums are, and how they operate
- Provide a frame of reference to assist in decision making
- Enable museums to avoid conflict of interest situations before they arise
- Help museums to practice due diligence in a consistent way
- Facilitate training for new staff, volunteers and Board members
- Assist museums to "say no", if necessary.

# EXISTING MODELS FOR MUSEUM ETHICS GUIDELINES

6

- ICOM (International Council of Museums) Code of Professional Ethics 1974, updated 1986 & 2004
- CMA (Canadian Museums Association) Ethical Guidelines 1999  
(previously The Ethical Behavior of Museum Professionals, 1979)

# HOW TO IMPLEMENT ETHICS GUIDELINES

7

- Ensure staff, volunteers and Board members are involved
- Review existing CMA document
- Determine if it is suitable for your needs
- Rewrite any necessary section(s)
- Propose for Board approval as part of the museum's policies
- Ensure that Conflict of Interest Statements are signed by staff, volunteers and Board on a regular (annual) basis
- Develop a regular review process for all policy statements, including Ethics Guidelines.

# ETHICS GUIDELINES



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*Aussi disponible en français*



# **CMA Ethical Guidelines 1999**

## **Table of Contents**

### **Preface**

#### **A. Introduction**

**A. 1 The Museum Community**

**A. 2 Purpose**

#### **B. Definitions**

**B. 2 Museum**

**B. 3 Governing Body**

**B. 4 Museum Collections**

**B. 5 Museum Workers**

**B. 6 Documentation**

**B. 7 Research**

**B. 8 Presentations**

#### **C. Public Trust Role of Museums**

**C. 1 Responsibilities of Trusteeship**

**C. 2 Legal Considerations**

**C.3 Respect for Traditional Customs**

**CMA Ethical Guidelines 1999**  
**Table of Contents**  
**Continued**

- D. Museum Governance
  - D. 1 Responsibilities of the Governing Authority
  - D. 2 Responsibilities of the Chief Executive Officer
- E. Collections Policies
  - E. 1 Documentation
  - E. 2 Acquisitions
  - E. 3 Loans
  - E. 4 Disposals
    - E. 4.1 Criteria for Disposals
    - E. 4.2 Methods of Disposal
    - E. 4.3 Use of Funds Generated by Disposals
    - E. 4.4 Domestic & Foreign Returns
  - E. 5 Conservation & Emergency Planning
    - E. 5.1 Welfare of Live Animals
- F. Accessibility & Presentations
  - F. 1 Media & Publicity

**CMA Ethical Guidelines 1999**  
**Table of Contents**  
**Continued**

- G. Culturally Sensitive Objects & Human Remains
- H. Research, Publications & Fieldwork
- I. Commercial and Revenue Generating Activities
  - I. 1 Reproductions & Copyright
- J. Employer/Employee Relations
  - J. 1 Staff Development
- K. Volunteers
- L. Conflict of Interest
  - L. 1 Personal Conduct
  - L. 2 Gifts
  - L. 3 Collecting & Dealing
  - L. 4 Confidentiality & Privacy
  - L. 5 Appraisals



# **Ethical Fundraising: Overview & Key Policies**

Ontario Museum Association  
April 4, 2013

## Who we are

**Imagine Canada** is a national charitable organization whose cause is Canada's charities and nonprofits.

- We reinforce the sector's collective **voice**.
- We act as a **forum and meeting place**.
- We create a **supportive environment** in which organizations contribute to building stronger communities.

Essentially, it is our our mission to support and strengthen charities and nonprofits so they can, in turn, support the Canadians and communities they serve.

# Presentation Overview

- Public Opinion on Charities and Fundraising
- Overview of the *Ethical Fundraising and Financial Accountability Code*
- Key Fundraising Policies

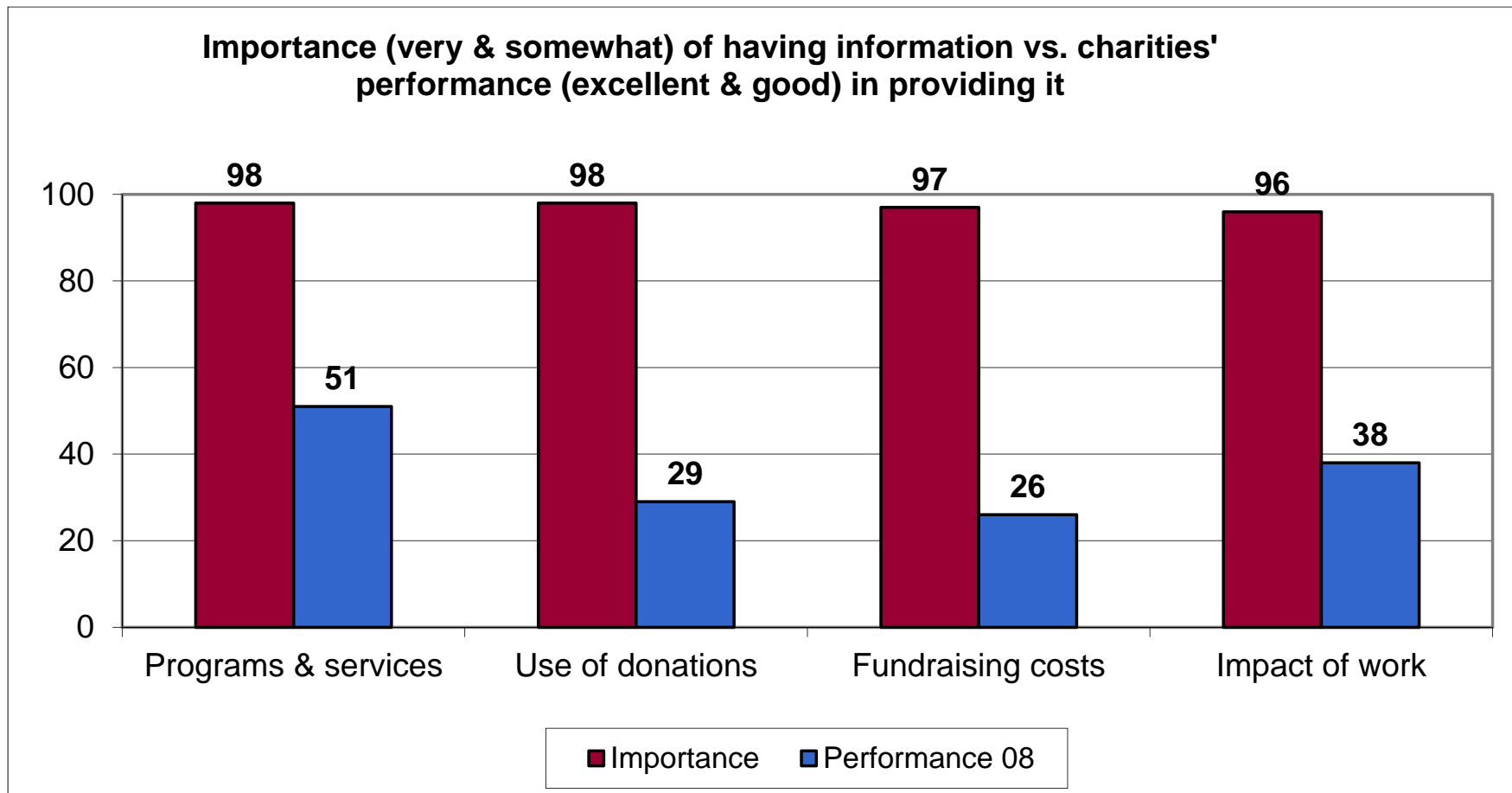
# **PUBLIC OPINION ON CHARITIES & FUNDRAISING**

# Negative Media Coverage

- *“Charity details often elusive investigation reveals”*
  - Windsor Star, March 2012
- *“Canadian Cancer Society spends more on fundraising than research”*
  - Globe and Mail, CBC, July 2011
- *“Charity boss hires own firm to fundraise”*
  - Toronto Star, November 2010
- *“Charities paid \$762M to private fundraisers”*
  - CBC, September 2010

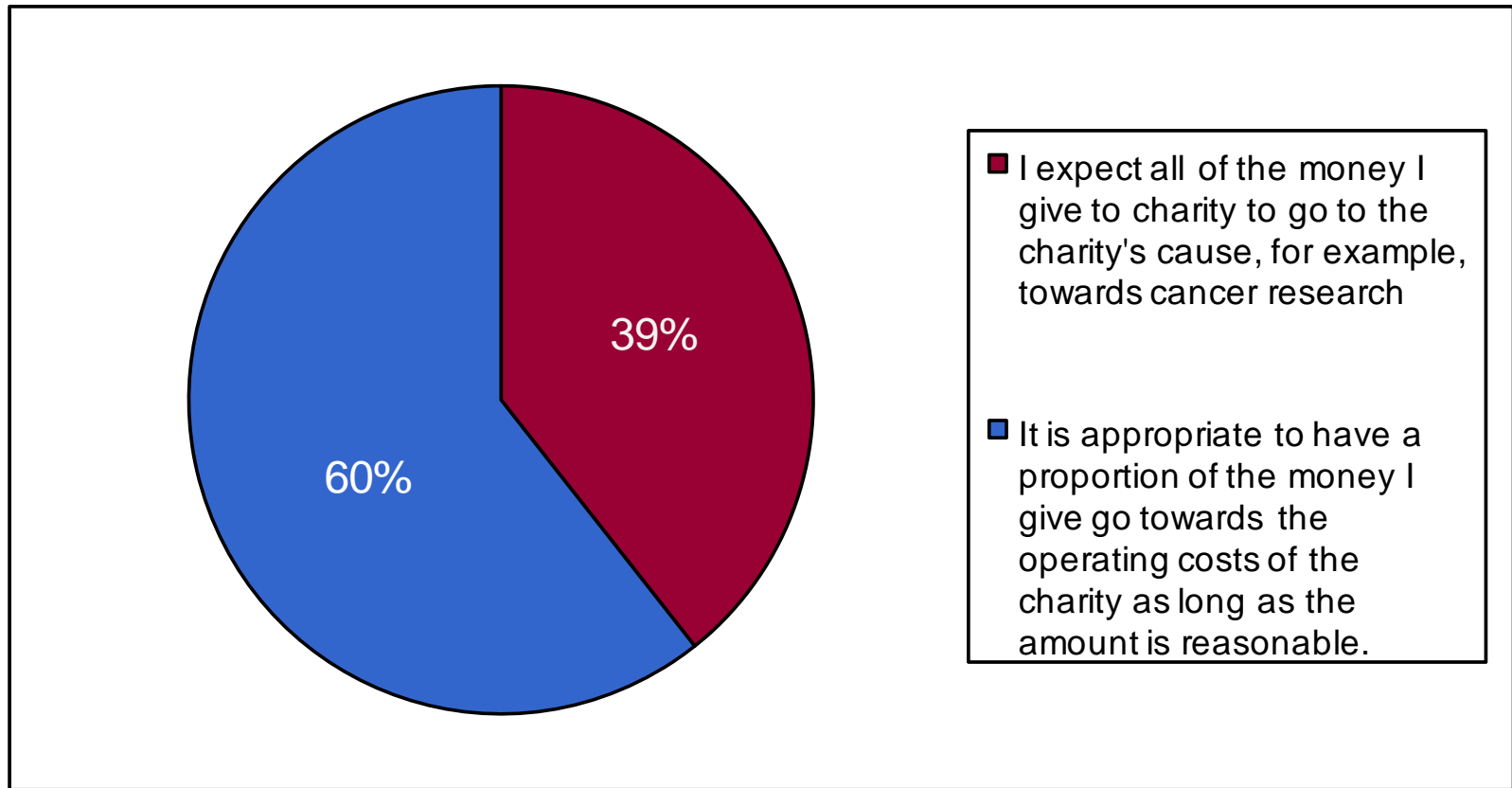


# People Want More Information



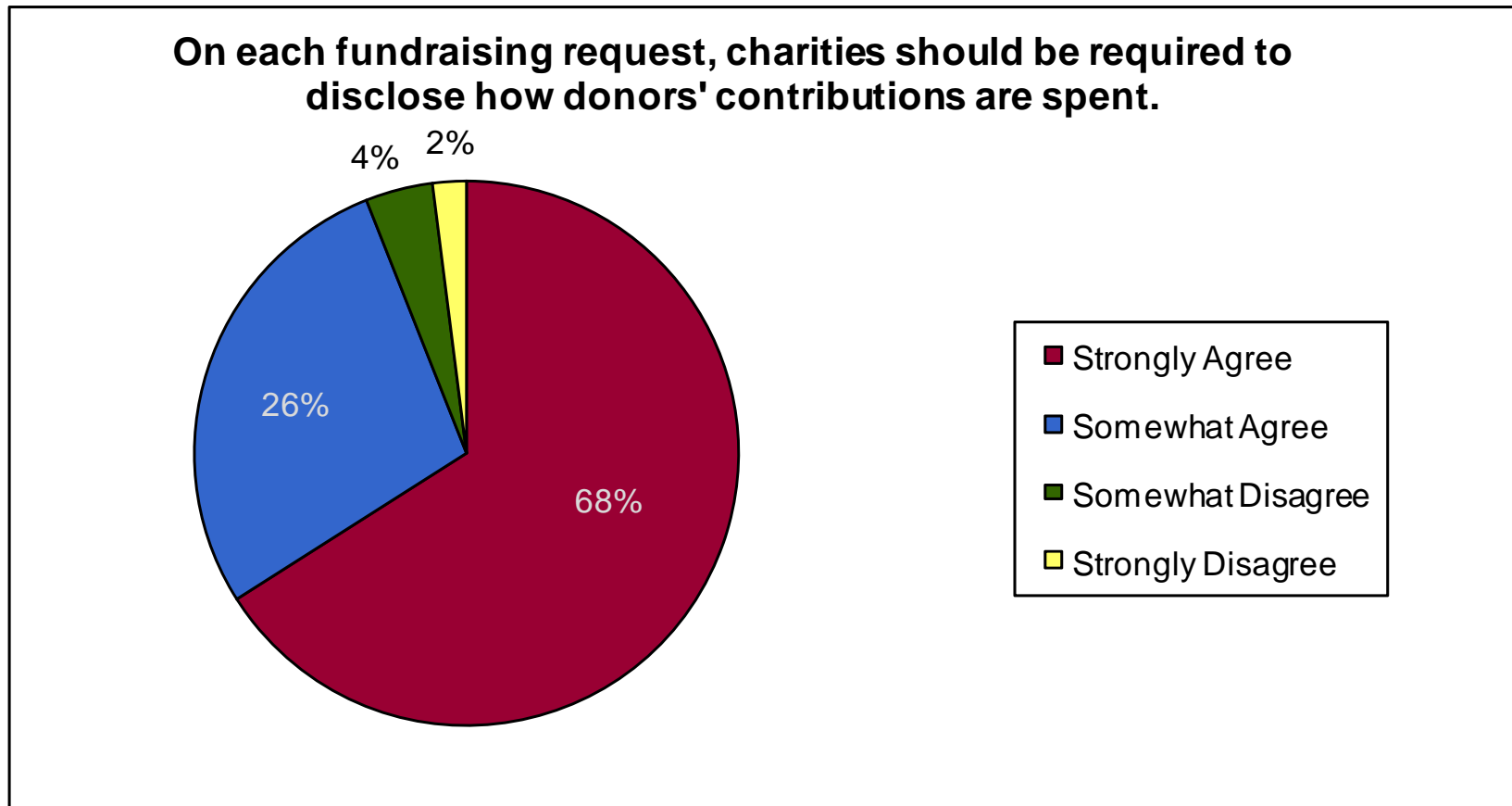
Source: Talking About Charities 2008, The Muttart Foundation

## They Have High Expectations About Use of Donations



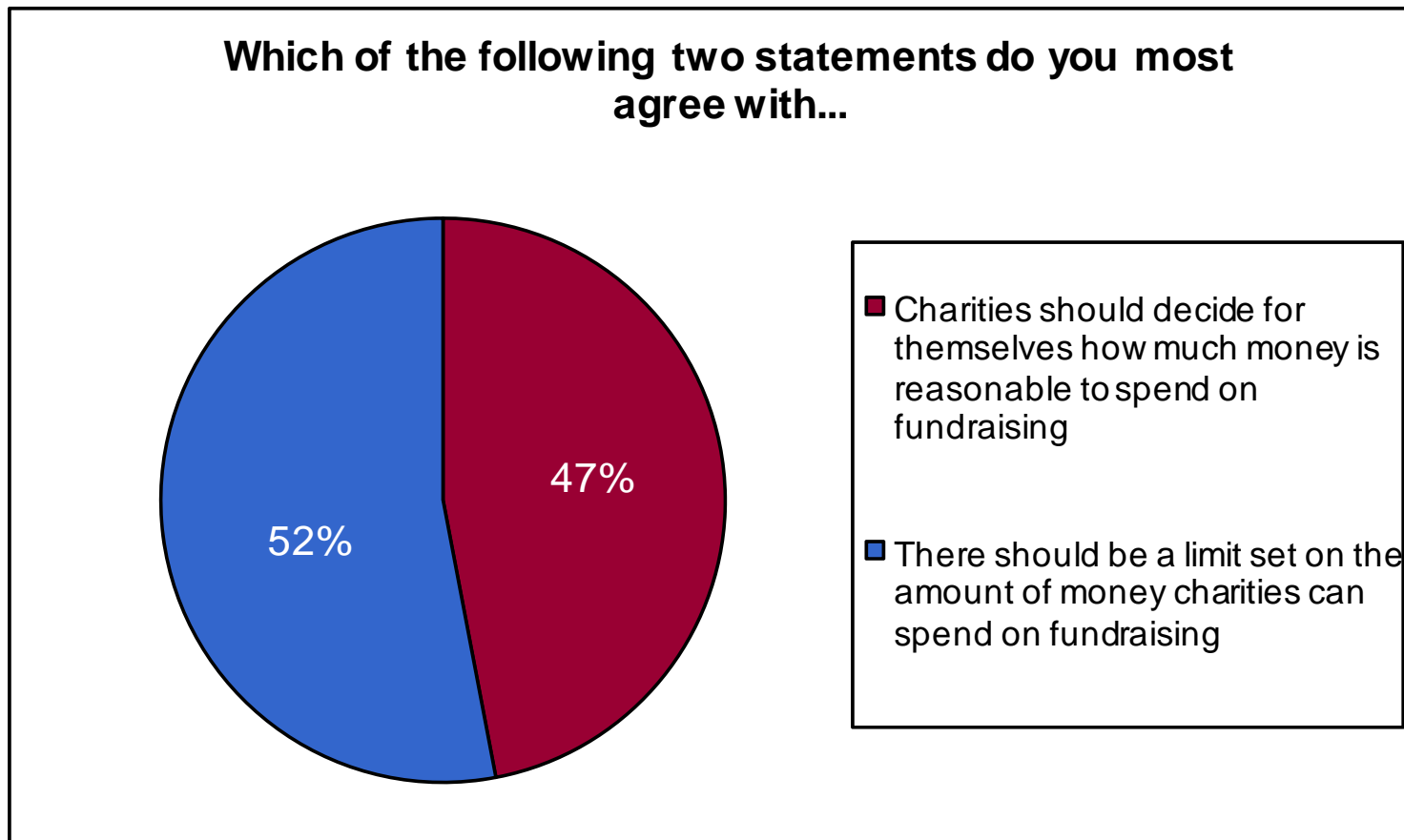
Source: *Talking About Charities 2008*, The Muttart Foundation

## ...And About Disclosure



Source: *Talking About Charities 2008*, The Muttart Foundation

## And a Majority Believe There Should be a Legal Limit on the Amount of Money Spent on Fundraising



Source: *Talking About Charities 2008*, The Muttart Foundation

# The Ethical Fundraising and Financial Accountability Code – An Overview



# Ethical Code - Introduction

- The *Ethical Fundraising and Financial Accountability Code* was first developed by the Canadian Centre for Philanthropy (now Imagine Canada) more than 10 years ago.
- The Ethical Code sets out standards or guidelines on donor relations, fundraising practices and financial reporting for charitable organizations.
- In 2006, a research and consultation process was undertaken to update and revise the Ethical Code.
- A revised Ethical Code was released in October 2007, updated in 2011.
- Download the Ethical Code at:  
[www.imaginecanada.ca/ethicalcode](http://www.imaginecanada.ca/ethicalcode)

## **Content of the Ethical Code – Donor Policies & Public Representations**

- Section A of the Code includes a number of requirements:
  - Guidelines around issuing tax receipts
  - Transparency
  - Independent advice
  - Anonymity
  - Privacy
  - Fundraising policies
  - Complaints process

## Content of the Ethical Code – Fundraising Practices

- Section B of the Code includes a number of requirements:
  - Online fundraising
  - Responsibilities of volunteers, employees and third party consultants that fundraise
  - Payment of fundraisers
  - Management of donor lists



## Content of the Ethical Code – Financial Practice & Transparency

- Section C of the Code includes a number of requirements:
  - The board reviews the cost-effectiveness of fundraising programs
  - The organization will accurately disclose fundraising costs.
  - Requirements around audited financial statements / review engagements.
  - Requirements for an investment policy.

## How can you use the Ethical Code?

- Adopt the Ethical Code through a resolution of your board of directors.
- Adapt the Code to create an Ethical Fundraising policy for your organization – add information that is relevant to your organization.
- Further strengthen your commitment to ethical fundraising by adopting the **Donor Bill of Rights**.
  - The Donor Bill of Rights sets out in plain language, a set of commitments the charity makes to donors.

# Key Policies related to fundraising

- Gift Acceptance Policy
- Privacy Policy
- Conflict of Interest Policy
- Restricted Gift Policy
- Naming Policy
- Endowment Policy
- Complaints Policy
- Corporate Partnership / Sponsorship Policy

# Gift Acceptance Policy

- If your organization raises money from the public or solicits gifts-in-kind, a gift acceptance policy can be a helpful tool.
- Level of detail / complexity of policy will vary depending on your size and the type of fundraising you undertake.
- Components:
  - the right to accept or decline gifts;
  - consistency with your mission;
  - types of acceptable gifts;
  - receipting practices.

# Restricted / Designated Gift Policy

- Be cautious about accepting restricted gifts – they will require careful monitoring, perhaps for many years.
- Carefully monitor restricted gifts/grants and projects to ensure that you meet your obligations and that expenses do not exceed revenues.
- Develop a policy that outlines when you will / will not accept restricted gifts.
- Contemplate what you will do if you can't use the money as intended and include that information in your policy (keeping your legal obligations in mind).

# Naming Policy

- Offering donors the opportunity to associate their name with your charity can inspire larger gifts but has reputational and other risks.
- Putting in place a policy to manage this process will assist staff with communicating opportunities and ensure that they are managed consistently.
- A written agreement with a donor may be the best way to manage a naming opportunity and should include time limits for the naming if appropriate.
- Recognition mechanisms created due to a gift cannot be arbitrarily changed or withdrawn – make sure you are able to maintain the naming opportunity.

# Endowment Policy

- An endowment is a long-term gift, normally held for at least ten years. Some endowments are for specific purposes (e.g., scholarships, research, etc.) and others are for general purposes.
- Considerations:
  - What size donation would be required to establish an endowment?
  - Would the gift be held in perpetuity or for a set period of time?
  - How will it be invested?
  - What happens if the activity that is endowed is discontinued or the organization ceases to exist?

# Resources

- [Imagine Canada's Guide to Giving](#)
- [Donor Bill of Rights](#)
- [Imagine Canada Standards Program](#)
- [Ethical Fundraising and Financial Accountability Code](#)
- [Association of Fundraising Professionals Code of Ethics](#)
- [Ontario Public Guardian and Trustee](#)
- [CRA Fundraising Guidance](#)
- [CharityFocus](#)



# Contact Information

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# Questions for your Museum and Heritage Advisor?

34



Read the Standards for Community Museums in Ontario at  
[http://www.mtc.gov.on.ca/en/museums/museums\\_standards.shtml](http://www.mtc.gov.on.ca/en/museums/museums_standards.shtml)

Download the Standards Questionnaires at  
[http://www.mtc.gov.on.ca/en/museums/museums\\_reporting.shtml](http://www.mtc.gov.on.ca/en/museums/museums_reporting.shtml)

# What's Next?

35

- This slide deck will be emailed to all webinar participants
- The link to the recording of this webinar will be available on the OMA website shortly
- You will receive a link to a short webinar feedback form
- Thank you for your participation!

# OMA Learning Lab Winter Series

36

## Upcoming PD Opportunities

- Outcomes Based Program Evaluation Workshops (Education and Interpretation standard)
  - April 26, 2013, Oshawa
  - June 17, 2013, North Bay
  - Registration form at [www.museumsontario.com](http://www.museumsontario.com)
- Spring/Summer Series coming soon!

## Presented by:



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