



[Organization Name]: Fundraising & Donor Management Policy

Organization Name: [Organization Name]

Registration Details: NPO [Insert Number] | Non-Profit Company (NPC)

Scope of Operations: Community Development and Youth Services

1. Policy Purpose & Intent

This Policy establishes clear guidelines for ethical, transparent, and sustainable resource generation to support the mission of the organization. It ensures that all fundraising efforts respect donor rights, comply with South African laws, and prioritize the safety, dignity, and best interests of the children and families served.

2. Fundraising Conduct

All fundraising activities must align directly with the NPC's mission—providing quality education, residential care, nutrition, trauma support, and life skills training to vulnerable children. Resources must be solicited and deployed responsibly to maximize direct impact on community programs. Fundraisers, staff, and representatives must maintain total integrity, honesty, and respect. All fundraising endeavors must strictly comply with South African legal standards, including the Companies Act (71 of 2008), the Non-Profit Organisations Act (71 of 1997), the Income Tax Act (Section 18A compliance), and relevant local municipal bylaws.

Prohibition of Commission-Based Fundraising

- Staff members, independent contractors, volunteers, and external fundraising agents shall not be compensated on a percentage basis or receive commission, finder's fees, or performance bonuses tied directly to the value of funds raised.
- All fundraising personnel shall be compensated via standard salary, hourly rate, or fixed professional fee arrangements to uphold ethical fundraising integrity and prevent aggressive solicitation practices.



3. Fundraising Strategy & Approved Methods

The organization employs a multi-stream, relationship-centered fundraising strategy aimed at long-term operational sustainability. The approach balances individual child and learner sponsorships, Corporate Social Investment (CSI) partnerships, philanthropic trust and foundation grant funding, international fundraising partner alignment, community-driven appeals, physical in-kind donation drives, and pro bono professional engagements.

The following fundraising channels are formally approved:

- Recurring monthly or annual individual sponsorships for school fees and residential care.
- Structured submissions to local and international philanthropic trusts, grant-makers, and corporate CSI programs.
- Corporate donations, cause-related marketing, and sponsorship of specific infrastructure or operational equipment.
- Direct online donations via the official website, secure payment gateways, and verified crowdfunding platforms.
- Solicitation of vital physical items, including vehicles, IT equipment, learning materials, bedding, clothing, and food supplies.
- Engagement of qualified professionals and corporate partners offering specialized expertise free of charge or at discounted rates.
- Approved fundraising events, sports initiatives, and local community awareness campaigns.

4. Gift Acceptance, Refusal & Agreements

Donations are accepted provided they advance the NPC's mission and do not place unmanageable financial or legal liabilities on the organization. The organization reserves the right to decline any gift that derives from illegal activities, money laundering, or unverified sources. The organization will also refuse gifts that originate from organizations or activities incompatible with the NPC's core values, or child protection principles, or which impose restrictions that compromise operational independence or conflict with beneficiary well-being.

Formal, written Gift Agreements are required for major gifts, multi-year funding commitments, and restricted grants above established financial thresholds. Agreements



must outline funding terms, payment schedules, designated expenditure areas, reporting expectations, and protocols in the event of project alterations.

Donor Anonymity & Naming Rights:

- The NPC will honor all requests by donors to remain publicly anonymous.
- Anonymous donor details will remain confidential internally, disclosed only to authorized finance personnel and board members as required for internal auditing, SARS tax compliance, and legal obligations.
- Naming rights for facilities, classrooms, buildings, playgrounds, or major equipment may be offered for significant contributions, subject to prior Board approval.
- All naming agreements must be documented in writing with a defined duration.
- The organization reserves the right to revoke naming rights if the donor engages in unlawful conduct, acts in a manner that damages the NPC's reputation, or violates the NPC's ethical values and child protection principles.

5. Specific Donation Categories

Donations in Kind (Goods & Physical Assets)

- In-kind donations are accepted only if they fulfill an active operational need.
- Donated goods must be clean, safe, functional, and fit for purpose, and second-hand items are subject to technical inspection before formal acceptance.
- The NPC must verify adequate storage space, maintenance capacity, and insurance coverage before accepting large or complex physical assets.
- All in-kind donations must be assigned a fair market value (FMV) at the time of receipt, backed by an invoice, purchase receipt, or independent valuation for auditing records.
- In accordance with SARS guidelines, Section 18A tax receipts may be issued for eligible goods/property donated in-kind, provided the donor submits proof of the fair market value or cost price of the goods.

Pro Bono & Professional Services

Major pro bono engagements must be formalized via a Service Agreement or Memorandum of Understanding (MOU) outlining deliverables, timelines, and responsibilities.



- Professionals providing regulated services must hold valid professional registrations, indemnity insurance, and legal certifications required under South African law.
- Under SARS Income Tax Act provisions, Section 18A tax receipts cannot be issued for donated time, labor, or pro bono services.
- Pro bono partners will receive formal letters of appreciation, corporate recognition, and public reporting mentions to acknowledge their contribution.

6. Transparency, Accountability & Reporting

Donors are entitled to clear, prompt information regarding how their gifts are utilized, and funds raised for specific, designated projects must be allocated strictly according to donor intent. Complete financial records must be maintained and audited annually by an accredited independent auditor. Audited Annual Financial Statements (AFS) will be made available to the Board, relevant state departments, and major funding partners. Section 18A tax receipts will be issued promptly for eligible cash and in-kind donations in compliance with SARS regulations.

All international donations, grants, and transfers from overseas partner organizations must comply fully with South African Reserve Bank (SARB) Exchange Control Regulations. Multi-year international grant budgets must incorporate currency fluctuation risk management strategies to ensure project sustainability in ZAR terms. Annual fundraising income projections and associated administrative costs must be developed concurrently with the overall operational budget. Fundraising expenses must remain reasonable and within accepted non-profit benchmarks to maximize the proportion of proceeds directly funding childcare and education initiatives.

Monthly and quarterly financial and performance metrics are provided to the Board of Directors to monitor progress against targets and budget allocations.

- Regular impact reports, grant acquittals, and financial summaries are provided to grant-makers, institutional partners, and individual sponsors as specified in funding agreements.

7. Oversight & Data Protection (POPIA)

The Board of Directors and Executive Leadership hold ultimate governance responsibility over fundraising policies, risk management, and the approval of major funding agreements.



The central Fundraising/Management Team oversees all external funding applications, corporate approaches, and public campaigns to maintain brand consistency, avoid duplicate donor requests, and preserve centralized donor records.

In strict compliance with the Protection of Personal Information Act (POPIA):

- Personal information collected from donors will be securely stored and processed solely for administration, receipting, and updates.
- Donor data will never be sold, rented, traded, or shared with third parties without explicit written consent.
- Donors maintain the right to view, update, or request the deletion of their personal records and may opt out of promotional communications at any time.

8. Donor Complaints & Grievance Resolution

- The NPC maintains an open feedback mechanism for donors to raise questions, express concerns, or submit formal grievances regarding fundraising practices via [Insert Email] or directed to the Board Secretary.
- Complaints will be formally acknowledged within 3 business days of receipt.
- The Executive Management or Board Oversight Committee will investigate the grievance and provide a formal written resolution to the donor within 14 business days.
- A register of all donor grievances and remedial actions taken will be maintained and reported annually to the Board.

9. Beneficiary Safeguarding & Media Ethics in Fundraising

The organization enforces a zero-tolerance approach to the exploitation of any individual—child, youth, or adult—in all marketing, communications, and fundraising activities.

- **Informed Consent & Permission:** Written, informed consent must be obtained directly from adult beneficiaries prior to taking or publishing any photographs, videos, or personal stories. For minors or adults lacking legal capacity, written consent must be obtained from a parent, legal guardian, or recognized proxy.
- **Right of Refusal:** All beneficiaries have the right to decline participation in media or fundraising activities without any penalty or impact on the services they receive.



- **Dignity & Privacy Protection:**
 - Beneficiaries must always be depicted with dignity, strength, and respect. Media that portrays individuals in a demeaning, exploitative, or pity-driven manner is strictly prohibited.
 - Full names, exact residential locations, and sensitive personal histories (e.g., medical status, history of abuse, or substance recovery) must not be shared publicly without explicit, documented consent, and should generally be anonymized to protect the individual's safety.
- **Visitor & Donor Interactions:** Donors, volunteers, or visitors taking photos on-site or during community outreach must be supervised and must agree in writing to abide by the organization's Safeguarding & Media Policy prior to capturing or distributing any media.