ICFO - the association of national monitoring bodies

International Committee on Fundraising Organizations

- Founded 1958

- **Members** in Austria, Canada, France, Germany, Italy, the Netherlands, Norway, Sweden, Switzerland, UK, USA,

- Independent Monitoring Agencies, not yet ICFO members, in: India, Indonesia, Philippines, Spain, …
ICFO’s Mission

ICFO and its members are building BRIDGES OF TRUST

- Donors’ trust – a decisive factor
- Informed Trust instead of “Blind Trust”
- Independent Monitoring Agencies are “Partners” of reliable Charities

ICFO’s Key Activities

- Exchange of Information – internally and externally
- ICFO International Standards and ICFO Assessment
- Strengthening and disseminating the Independent Monitoring of charities worldwide
International Examples

ICFO and its members are building **BRIDGES OF TRUST**

- **Comité de la Charte**, France (founded 1989)
  (Volunteers + staff, membership based, independent Commision d’agrément et de surveillance, seal)

- **Stiftelsen för Insamlingskontroll**, Sweden (founded 1943)
  (90 account (accreditation), staff, auditors)

- **Stiftung ZEWO**, Switzerland (founded 1934)
  (Seal, staff, official “Swiss Collection Schedule”, donor advisory service)
International Examples

DZI Seal-of-Approval

- **Fundraising**: truthful, accurate, not misleading, no pressure to donors
- **Finances**: >250,000 € audited by CPA, salary = public service, 35% admin+fundr.
- **Governance**: well functioning planning and supervision, extra control body if family links or paid board member
International Examples

What about the Newcomers?

- **Spain** (Fundacion Lealtad successful)
- **Czech Republic** (TI Initiative failed)
- **Slovak Republic** (Donors’ Forum, not monitoring)
- **Philippines** (Philippine Council for NPO Certification PCNC)
- **India** (Credibility Alliance)
Independent Monitoring of Charities – the “Third Way”

1 - State Regulation via
   - Registration,
   - Fiscal Oversight

2 - Self Regulation via
   - Code of Conducts, issued by umbrella bodies
   - Capacity Building
   - Direct Transparency

3 - Independent Monitoring via
   - Seals-of-Approval (Accreditation)
   - Donor Advice
Future Development

New Challenges in Charity Certification

- Quality measurement: Outcome and effectiveness of the charitable activities
- Administration and Fundraising costs: more detailed rules (maybe, more ceilings); discussion in UK, Norway, Netherlands
- New Financial Sources: e.g. emission of bonds (create new stakeholders and accountabilities)
Future Development

New Challenges in Charity Certification

- Dominance of numbers? Benchmarking and Rating
- “Inflation” of new Certifications?
- The States’ role: regulation, support, and competition
- Independent Monitoring and Self Regulation: Combination, not Amalgamation
Conclusion

Independent Monitoring …

- enhances trust and expertise in NPO
- needs expertise and independence to be effective and trustworthy itself.

Thanks!