



## Donations Acceptance Policy

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## **Development and Alumni Relations Office**

### **Donations Acceptance Policy**

#### **1 Purpose**

1.1 Aberystwyth University, through the Development and Alumni Relations Office (DARO), actively seeks charitable donations from UK and internationally-based donors as a legitimate, sustained and important source of funding for activities within the University's charitable objects. This policy relates to the ethical, diligent and compliant solicitation, acceptance and recognition of charitable donations in the name of the University from UK and international donors. The Director of DARO is responsible for ensuring that all charitable gifts are processed in line with this policy.

1.2 The University has an obligation to ensure that funding sources for charitable donations, and the purpose to which those donations are applied, do not in any way undermine the reputation of the institution, nor compromise existing and past donors to the University as key stakeholders in the University's mission and values. This applies to both solicited and unsolicited donations.

1.3 The University accepts donations on the understanding that the donor can exercise no influence over the academic freedom and independence of the University. Whilst every endeavour will be made to avoid a situation where a gift is declined, this policy confirms that the University reserves the right to decline a gift if this is not judged in the interests of the University.

1.4 This policy confirms the process and levels of approval for gift solicitation and acceptance and the related roles of other relevant offices, including the Vice-Chancellor, University Executive, Council and Finance department. For the purposes of this policy, charitable donations and gifts include, but is not exclusively limited to, cash or cheques, direct debits and standing orders, on-line donations, legacy bequests, shares endowments, corporate sponsorship and grants and gifts from charitable trust and foundations. This policy covers both unrestricted and restricted donations and pledges.

1.5 The Director of DARO is responsible for compliance in the research, targeting, active solicitation and negotiation of all donations and gift agreements and for delegating responsibilities accordingly with his/her department and/or to external agencies commissioned to provide services for these activities. No other Officer/Office in the University should therefore solicit, accept, decline or recognise charitable donations, either directly or indirectly, without the prior involvement with and approval from the Director of DARO. The Director of DARO is responsible for communicating this policy to all staff and for alerting the Deputy Director of Finance and the Vice-Chancellor of any potential breach, including where monies have been accepted by other parts of the University from either solicited or unsolicited donations.

1.6 The policy is informed by The Charities Act, Charity Commission guidance 'Protecting Charities from Harm: Chapter 2 Due diligence, Monitoring and Verification of End Use of Charitable Funds (2016)' and best practice in the sector. This policy also draws upon the Code of Fundraising Practice published in October 2019 by the Fundraising Regulator and upon the Institute of Fundraising's 'Acceptance, Refusal and Return : Guidance to dealing with donations (2018)'.

1.7 The University is committed to transparency in relation to this policy, which will be made publicly available on the institution's website.

#### **2 Exclusions**

2.1 The policy excludes donations of any value in the form of real estate or gifts in kind upon which conditions are imposed (such as an obligation not to realise their value) or which may expose the University to potential expenditure (such as property with existing restrictive covenants or liabilities).

2.2 The Director of DARO will however advise the Finance department and other Officers as required on levels of diligence required to acceptance or potentially decline such gifts and advice on the terms of agreements and thanking and recognition in line with the Donations acceptances policy and principles for the stewardship of lifelong relationships with University supporters.

### **3 Principles**

3.1 The University adheres to the 10 ethical principles behind the acceptance of gifts developed by CASE Europe (Centre for the Advancement and Support of Education), the Ross Group and the 1994 Group of Development Directors:

[http://www.case.org/Samples\\_Research\\_and\\_Tools/Principles\\_of\\_Practice/CASE\\_Europe\\_Guidelines\\_Ethical\\_Principles\\_Behind\\_the\\_Acceptance\\_of\\_Gifts.html](http://www.case.org/Samples_Research_and_Tools/Principles_of_Practice/CASE_Europe_Guidelines_Ethical_Principles_Behind_the_Acceptance_of_Gifts.html)

3.2 The 10 principles are:

- i. Universities should seek philanthropic support which is aligned with their values, strategic goals and financial needs, as a legitimate, sustained and vital component of their income.
- ii. Ethical guidelines for the acceptance of such gifts in any institution should be available in the public domain.
- iii. Impartial, independent research, scholarship and teaching are the basis for the furtherance of knowledge. Universities should not accept philanthropic gifts if this is not clearly understood and accepted by all parties.
- iv. Universities are charitable bodies and must observe the requirements of charity law and other relevant legislation in relation to the receipt and expenditure of funds. Ultimate responsibility regarding the acceptance and refusal of donations rests with the governing body of each university.
- v. Where the authority for the acceptance of donations is delegated to the Vice-Chancellor and other senior academics or officers, that authority should be explicit and the responsibility of those accepting gifts to implement the institution's detailed ethical policies and procedures on donations must be clearly understood and consistently applied.
- vi. Universities should take all reasonable steps to ensure that they are aware of the source of funding for each gift, and have processes in place to satisfy themselves that the funds do not derive from activity that was or is illegal, or runs counter to the core values of impartial, independent research, scholarship and teaching.
- vii. Discussions with potential donors that are likely to give rise to significant public interest, or which raise complex questions with regard to acceptance, should be considered at the earliest stage possible by the appropriate decision makers who should be fully informed of the purpose and the background to the donation and the source of funds.
- viii. The legal and reputational rights of potential donors should also be considered as part of any due diligence undertaken in assessing the acceptance of a proposed donation. In this regard, a clear distinction should be drawn between rumour or speculation and matters of confirmed fact or legal finding, whilst also accepting that institutions may wish to consider the reputational risks that could be incurred through public perception of any particular donor.
- ix. Donors must accept and, for significant gifts (as determined by individual institutions), sign appropriate gift agreements to confirm that the management and governance of

programmes funded through benefaction rest solely with the university. Individual institutions typically choose, without undermining this core principle, to offer donors opportunities for continuing engagement with the activities that they have funded. Universities should employ their standard procedures relating to recruitment, admissions, hiring, promotion, procurement, management and governance for all research, teaching, outreach, capital development, or student scholarship programmes funded by gifts.

- x. Universities should have procedures in place for reviewing and reconsidering previous decisions taken in good faith relating to the acceptance of particular gifts if subsequent events or the subsequent availability of additional information require it. The response to such circumstances should be transparent and proportionate to the particular circumstances that have arisen.

3.3 DARO will adhere to the Fundraising Promise and Codes of Conduct as a registered member of the Fundraising Regulator. DARO will adhere to data protection legislation, sector best practice and AU policy in relation to data captured, enhanced and analysed in relation to gift solicitation and due diligence in the research of existing and prospective donors within the current database of alumni and supporter records.

3.4 The University will publicise the Fundraising Promise (see the Appendix), Codes of Conduct and data privacy statements on the DARO website.

#### **4 Solicitation of Gifts**

4.1 Aberystwyth University, through DARO, will solicit and negotiate all charitable donations in accordance with the highest ethical standards in all dealings with potential and existing supporters and in line with the principles in Section 3.

4.2 The University will only solicit charitable funding for activities and projects approved by the Vice-Chancellor as being strategically relevant and important to the University and with no risk of financial or reputational exposure during the course of the donation or at the end of the term.

4.3 Gifts will be solicited in line with DARO's strategy, annual plans and appeal plans and to levels of approvals confirmed in Section 5 below '*Delegation of authority for the solicitation and acceptance of gifts.*'

4.4 The Director of DARO will also be responsible for the submission and recording of all gift agreements for donations of £10,000 and above using a standard gift agreement template agreed with the Deputy Director of Finance . The Gift Agreement will include any conditions associated with the gift that have been negotiated between the donor and the University. The Agreement will be recorded against the donor's record on the DARO database and a copy sent to the Deputy Director of Finance . The Director of DARO will be responsible for the recording of sums under £10,000 on the department's database and for referring any potential queries and risks on these amounts to the Deputy Director of Finance as appropriate.

4.5 Where donations are pledged in instalments, the threshold will be based on the cumulative total of all of the instalments. Where gifts are unending the threshold will be based on the cumulative five years' worth of gifts.

4.6 Donors will be encouraged to seek independent advice if the University considers that a proposed gift might significantly affect the donor's financial circumstances, taxable income or relationships with third parties.

## 5 Delegation of authority for the solicitation and acceptance of single gifts

5.1 The levels of delegated authority are given in the table below, net of gift aid where eligible.

5.2 The Director of DARO is responsible for ensuring the required levels of diligence for each level through research of information in the public domain and through third parties and in line with the CASE ethical guidelines above and policy in Section 6 below.

5.3 In line with strategies for major fundraising appeals or campaigns, and especially those with a range of naming and recognition opportunities, the Director of DARO may recommend to the Vice-Chancellor that the University establishes a Gift Acceptance Group to approve and monitor solicitation and acceptances.

5.4 The Director of DARO is responsible for ensuring that all volunteers working with the department to support their fundraising are made aware of this policy and confirm their understanding in writing. Such support includes, but is not limited to assistance with personal introductions, hosting event, accompanying the Director at prospect and donor meetings, assisting with follow up and cultivation and stewardship of relationships.

5.5 The Director of DARO is responsible for ensuring that any agency commissioned to support major donor fundraising activity is aware of this policy and confirms this in their contract.

5.6 The University reserves the right to review and potentially reconsider past decisions on the acceptance of charitable donations in response to new information or changes in strategic priorities.

Authority	Solicitation	Acceptance
Director of DARO	Asks of up to £1 million <u>provided that</u> the Director of Welsh Language and External Engagement and Director of Finance and Corporate Services are consulted on and approve all asks of £500k and above <u>and</u> all asks with a recognition opportunity proposed as part of the solicitation and negotiation	Gifts valued up to £100,000  Anonymous gifts up to £10,000
Vice-Chancellor	Asks with the potential to exceed £1 million	Gifts valued over £100,000 and up to £5 million  Anonymous gifts of £10-£25,000
Council	Asks judged by the Vice-Chancellor to be potentially sensitive e.g. from a current or prospective student, current staff member, supplier or prospective supplier, or their families.	Gifts exceeding £5 million  And  Anonymous gifts of £25,000 or more

5.7 With regards to anonymous gifts, in addition to progressing acceptance or refusal under the above thresholds, the Director of DARO will also consult the Deputy Director of Finance and the

Director Welsh Language and External Engagement on the acceptance of all anonymous gifts of over £5,000, and will ensure an audit train on diligence undertaken and outcomes to assist accounting and reporting procedures.

## **6 Diligence**

6.1 The Director of DARO is responsible for the appropriate levels of due diligence for both solicitation and acceptance plans and proposals and for confirming diligence undertaken to the Vice-Chancellor and Council with draft gift agreements in line with the above delegation limits.

6.2 The level of due diligence will depend on the circumstances and the Director's assessment of the risks to the University and adherence to the relevant principles in Section 2 above, namely:

- i. Universities should take all reasonable steps to ensure that they are aware of the source of funding for each gift, and have processes in place to satisfy themselves that the funds do not derive from activity that was or is illegal, or runs counter to the core values of impartial, independent research, scholarship and teaching.*
- ii. Discussions with potential donors that are likely to give rise to significant public interest, or which raise complex questions with regard to acceptance, should be considered at the earliest stage possible by the appropriate decision makers who should be fully informed of the purpose and the background to the donation and the source of funds.*
- iii. The legal and reputational rights of potential donors should also be considered as part of any due diligence undertaken in assessing the acceptance of a proposed donation. In this regard, a clear distinction should be drawn between rumour or speculation and matters of confirmed fact or legal finding, whilst also accepting that institutions may wish to consider the reputational risks that could be incurred through public perception of any particular donor.*

6.3 The diligence applies to all individuals and corporate donors. The Director will exercise his/her discretion about the level of diligence for charitable trusts and foundations that are registered with the Charity Commission of England and Wales and/or the Scottish Charity Regulator.

6.4 The Director of DARO will recommend to the Vice-Chancellor any additional and/or independent levels of diligence and/or legal advice for complex or potentially sensitive solicitations and acceptances, and difficulties in identity checking, including those from donors not resident in the UK, or donating monies generated outside the UK. The Vice-Chancellor will consider contingency costs for such diligence within annual budget rounds and major fundraising appeals.

6.5 For gifts of up to £50,000, the Director will commission and review a phase 1 level of diligence, to include:

- University history and biographical information, including public and/or political offices held and current relationship with the University, including current/prospective student/family member, staff member or supplier
- Business database check
- Review of news and any information in the public domain, including any potential information on illegal activity e.g. tax evasion, fraud, human rights, falsification, bribery, controversy and crime
- Charity Commission review

6.6 For gifts of £50,000 and above, The Director will commission and review a phase 2 level of diligence. The level of diligence undertaken will be informed by considerations relating to specific donors, the proposed terms of any gift and the levels of approval required in Section 5 above. Further research and diligence will potentially include (but not be limited to):

- Further internet search to research possible connections to third parties with the potential to bring the University into disrepute
- Ethical checks – including reports from Human Rights and /or Environmental NGOs and bodies
- Checks on the academic integrity of the donor and evidence of action that has limited freedom of enquiry or encroached on academic freedom
- Legal advice, including international legal advice, including on the gift agreement and any conditions.

## **7 Thanking and Recognition**

7.1 The Director of DARO is responsible for the timely and appropriate thanking of donors for their donations and for the recording of all related and ongoing communications with the donors on the DARO database.

7.2 The Director is also responsible for ensuring that the wishes of donors to remain anonymous are adhered to, and that donors are made aware at the earliest opportunity of any potential risks to their anonymity.

7.3 The Director of DARO is responsible for proposing and negotiating proportionate levels of recognition and securing internal approvals (e.g. naming of a building/equipment/scholarship) at the levels in Section 5 above. The Director of DARO is responsible for ensuring that all internal stakeholders are consulted appropriately on potential recognition opportunities in line with the above approvals. These include, but are not limited to, Pro Vice-Chancellors; Estates, Facilities and Residences Department; Head of Communications and Public Affairs; and Director of Marketing and Student Recruitment.

7.4 The Director will advise the Vice-Chancellor and Council on recognition opportunities on a case by case basis, recommending on proportionality and strategic considerations and any potential adverse publicity or reputational risk to the University and actions to minimise this. The Director will approve an annual list of gifts made in the University's communications to alumni (PROM magazine).

7.5 Naming may be withdrawn by the University Council where later concerns arising regarding the source of the funding of the donor or reputational risks arising from the University's association and/or relationship with the donor.

## **8 Complaints**

8.1 The Director of DARO will respond promptly to a complaint made by a donor or prospective donor about any aspect of this policy and will advise the Director of Welsh Language and External Engagement, the Vice-Chancellor, and the Chair of Council all complaints relating to sums or potential of £25,000 and above.

## **9 Reporting and review**

9.1 The Director of DARO will submit an annual report to Council on single gifts received in year of £10,000 and above and on any issues arising relating to this policy and actions taken.

9.2 The Director of DARO is responsible for advising the Vice-Chancellor immediately of any changes in compliance and best practice that may impact on this policy and for proposing related amendments.

9.3 The Director of DARO will obtain approval from the Deputy Director of Finance for the customising and/or updating of the standard gift agreement template.

9.4 This policy will be formally reviewed and updated on an annual basis.



## **Appendix: Fundraising Promise (adhered to by the University under membership of the Fundraisings Regulator)**

### The Fundraising Promise

This promise outlines the commitment made to donors and the public by fundraising organisations which register with the Fundraising Regulator. Those who register with the regulator agree to ensure their fundraising is legal, open, honest and respectful. The standards for fundraising are set out in the Code of Fundraising Practice.

#### We will commit to high standards

- We will adhere to the Fundraising Code of Practice.
- We will monitor fundraisers, volunteers and third parties working with us to raise funds, to ensure that they comply with the Code of Fundraising Practice and with this Promise.
- We will comply with the law as it applies to charities and fundraising.
- We will display the Fundraising Regulator badge on our fundraising material to show we are committed to good practice.

#### We will be clear, honest and open

- We will tell the truth and we will not exaggerate.
- We will do what we say we are going to do with donations we receive.
- We will be clear about who we are and what we do.
- We will give a clear explanation of how you can make a gift and change a regular donation.
- Where we ask a third party to fundraise on our behalf, we will make this relationship and the financial arrangement transparent.
- We will be able to explain our fundraising costs and show how they are in the best interests of our cause if challenged.
- We will ensure our complaints process is clear and easily accessible.
- We will provide clear and evidence based reasons for our decisions on complaints.

#### We will be respectful

- We will respect your rights and privacy.
- We will not put undue pressure on you to make a gift. If you do not want to give or wish to cease giving, we will respect your decision.
- We will have a procedure for dealing with people in vulnerable circumstances and it will be available on request.
- Where the law requires, we will get your consent before we contact you to fundraise.
- If you tell us that you don't want us to contact you in a particular way we will not do so. We will work with the Telephone, Mail and Fundraising Preference Services to ensure that those who choose not to receive specific types of communication don't have to.

#### We will be fair and reasonable

- We will treat donors and the public fairly, showing sensitivity and adapting our approach depending on your needs.
- We will take care not to use any images or words that intentionally cause distress or anxiety.
- We will take care not to cause nuisance or disruption to the public.

## We will be accountable and responsible

- We will manage our resources responsibly and consider the impact of our fundraising on our donors, supporters and the wider public.
- If you are unhappy with anything we've done whilst fundraising, you can contact us to make a complaint. We will listen to feedback and respond appropriately to compliments and criticism we receive.
- We will have a complaints procedure, a copy of which will be available on our website or available on request.
- Our complaints procedure will let you know how to contact the Fundraising Regulator in the event that you feel our response is unsatisfactory.
- We will monitor and record the number of complaints we receive each year and share this data with the Fundraising Regulator on request.