

Policy and Guidance on the acceptance of donations

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1. Introduction

- 1.1 Teesside University (“the University”) is a charitable institution with its objective to further higher education. As a charity the University is free to accept donations and to fundraise, but it has an obligation to responsibly handle philanthropic support from individuals and companies who wish to support its charitable objectives.
- 1.2 Donated funds can be used across the University’s portfolio of activity. Examples of how donated funds can be applied include:
 - 1.2.1 Improving the student experience (i.e. scholarship provision, student prizes);
 - 1.2.2 Developing the campus experience (i.e. capital projects, securing resources and equipment);
 - 1.2.3 Research Projects.
- 1.3 The University welcomes donations and gifts from supporting members of the community and equally recognises the importance that each is received with due care and attention. The University has a dedicated philanthropic fundraising team, the ‘Communications, Alumni Relations and Development team’ (“the CARD team”), based in the Department of Student Recruitment and Marketing (“SRM”) that facilitates donations to the University.
- 1.4 The CARD team work with colleagues across the University to obtain and record donations from all donors. The CARD team should be made aware of all philanthropic gifts and grants brought in to the University so that effective recording and monitoring can be completed and to ensure that all donors are stewarded (thanked and celebrated) to the exact standard expected of the University.
- 1.5 The Development and Philanthropy Working Group (“the Group”) gives objective advice and strategic leadership on all fundraising matters. The Group meets quarterly to identify priority areas for the University’s philanthropic development and to assess the progress of the University’s development activity.

2. Purpose of Policy

- 2.1 This policy sets out the University's practice and applies to the solicitation, fundraising and acceptance of donations by, or on behalf of, the University. It is intended to ensure that the source and proposed purpose for any philanthropic support is aligned with its vision, mission and values.

3. Scope

- 3.1 This policy applies to all members of the University who are raising funds for the University and in this context "member" shall include, but not necessarily be limited to, all members of University staff (including permanent, fixed term and temporary staff), members of the Board of Governors, students, secondees, volunteers, agency workers, interns, agents, sponsors and any others engaged in the business of the University in the UK or overseas.
- 3.2 This policy does not apply to personal/individual gifts, which are covered by the University's Anti-Bribery and Corruption Policy.
- 3.3 This policy should be read in conjunction with the following University policies: Financial Regulations, Anti-money laundering Policy, Counter Fraud Policy and the Anti-Bribery and Corruption Policy ("Related Policies").
- 3.4 For the purposes of this Policy "donation" includes (but is not necessarily limited to) a financial donation; a gift of land or real estate; shares; artwork; collections of books; equipment or money/property left under legacies or bequests.

4. Procedure on the acceptance of Donations

- 4.1 Anyone wishing to make a gift should, in the first instance, be directed to contact the CARD team or the Director of SRM.
- 4.2 The approval levels for accepting donations are as follows:

Amount	Approval Route	Reporting/Record Keeping
£1,000 or less	Director of SRM	Central record maintained
Over £1,000 ("Major Gifts") but less than £25,000	Director of SRM	Central record maintained & reported to UET

Over £25,000 but less than £100,000	UET	Central record maintained & reported to Resources Committee
Over £100,000 but less than £750,000	Resources Committee	Central record maintained & reported to Board of Governors
£750,000 and above	Board of Governors	Central record maintained

4.3 Where a series of donations is made by the same donor, for the purposes of calculating the thresholds in para 4.2, the cumulative value of donations made by the same donor over a 12 month period should be used.

4.4 How Donations are Used

4.4.1 All donations will be used to support the aims mission of Teesside University.

4.4.2 All Major Gift donations to the University must be brought to the attention of the CARD team and its potential designation declared and agreed with the Director of SRM. If the donor does not wish to stipulate a specific use or cause for their donation the Director (UET, the Resources Committee or Board of Governors if the donation exceeds £25,000, £100,000 or £750,000, respectively) will allocate its use according to University priorities.

4.4.3 If the donor wishes to make a restricted donation to support or to instigate a specific purpose, relevant colleagues in Schools and/or Departments will be informed by the CARD team.

4.4.4 Where possible, all restricted donations will be used as agreed with the donor. If necessary due to programme or organisational changes, alternative uses will be discussed where possible with the donor or the donor's legal representative(s). If the donor is deceased or lacks mental capacity, and the University is unable to contact a legal representative, the donation will be used in a manner that is as consistent as possible with the donor's original intent.

4.4.5 The University will make every effort to ensure that it meets the stipulations of a restricted donation, however where this is not possible it reserves the right to retain autonomy over the ultimate use (including the return of donations).

4.5 Acceptable sources of Funding

4.5.1 Teesside University accepts philanthropic funding from a wide variety of public and private sector sources willing to support it in accomplishing its mission.

4.5.2 Depending upon the amount of the donation, the Director of SRM, UET, Resources Committee or the Board of Governors will decide whether accepting the donation is in the best interests of the University and if it can suitably advance the University's objectives. Careful consideration will be taken over any decision to refuse a donation. For the avoidance of doubt, all offers of a donation should be referred to the CARD Team to deal with as per para 4.1 and 4.2. Further, the CARD Team should be contacted before any member of staff, member of the Board of Governors or other University representative approaches a potential donor.

4.5.3 The University, having considered a range of information and, where necessary, undertaken due diligence procedures, will accept donations which are in the best interests of the University. Examples of instances where to accept a donation would not be in the best interests of the University include where a donation would:

- a) Create an unacceptable conflict of interest including the placing of conditions on the University which are contrary to its charitable objects;
- b) Cause financial loss, reputational or other material damage to the University;
- c) Compromise the University's status as an independent academic institution;
- d) Contravene any law or regulation;
- e) Place unmanageable or inappropriate demands on the University;
- f) Deter donations or gifts from other potential donors; or
- g) Limit freedom of enquiry or lead to the suppression or falsification of academic research

4.6 Acceptable sources of funding

4.6.1 If the Director of SRM, UET, Resources Committee or the Board of Governors considers that there are significant issues involved when deciding whether to accept a donation in the circumstances set out at 4.4.3 (above) they may seek advice, formally or informally, from the University Secretary or from nominated persons unconnected to the University before making a decision. They may also seek the views of

the Charity Commission. The sole consideration of the decision makers in making a decision will be, in the light of all available information, if the best interests of the University are served in accepting or refusing the donation in question.

4.6.2 Where concerns are raised under this Policy about a donation that has already been accepted by the University, a similar process of consideration will be followed to that set out above in order to determine whether it is appropriate to retain the gift, to return it to the donor or to take any other action in relation to the gift.

4.7 Due Diligence

4.7.1 It is the responsibility of employees and Governors who solicit or receive funds on behalf of the University to disclose immediately to the Director SRM, any concern that a donation may contravene this Policy. In any event, Due Diligence will be carried out on all donations made over the sum of £1,000 (major gifts).

4.7.2 Where due diligence is to be undertaken, this shall be done before a donation is accepted. The purpose of due diligence is to evaluate the proposed donation and present an unbiased recommendation, which takes all known facts into consideration. Due diligence should be approached in a transparent manner and should not be influenced by personal judgement.

4.7.3 Due diligence will be co-ordinated by the CARD team, with reference to the Director SRM and will seek to identify:

- a) The donor's identity;
- b) The source of funding and the activities in which the donor engages in;
- c) Any possible conflicts of interest; and
- d) The purpose of the donation

4.7.4 The outcome of any due diligence undertaken by the CARD team will be referred to either the Director SRM, UET, Resources Committee or the Board of Governors for consideration, depending upon the amount of the donation

4.7.5 The following questions should be considered in evaluating potential donations which may, in the opinion of the CARD team and/ or Director SRM, have a controversial dimension.

- a) Is the donation consistent with the University's objectives, mission and vision?
 - b) Is there published or other credible evidence that the proposed donation will be made from a source that arises in whole or in part from an activity that:
 - i. Evaded taxation?
 - ii. Involved fraud or any other criminal activity?
 - iii. Violated international conventions that bear on human rights?
 - iv. Limited freedom of inquiry, or encroached on academic freedom?
 - v. Is there evidence that the proposed donation, or any of its terms will:
 - i. Require action that is illegal?
 - ii. Constrain academic freedom to question and test received wisdom and put forward new ideas and controversial or unpopular opinions without placing themselves in jeopardy of losing their jobs?
- 4.7.6 When carrying out due diligence, the CARD team may also have regard to **Appendix A** of this policy 'How Due Diligence will be carried out – Key Questions'.

4.8 Use of Gift Agreements

4.8.1 The University will enter into gift agreements for all gifts over £5,000. Gift agreements set out the terms on how the donation will be applied. They will be drawn up in consultation with the donor and agreed before the donation is fulfilled. If a donor wishes to remain anonymous the University will honour such requests by ensuring only the staff/approving authority involved in securing the donation will be made aware. A template for use when entering in to a Gift Agreement can be found at **Appendix B** to this Policy

4.9 Donor's Rights

4.9.1 All fundraising approaches by or on behalf of the University will disclose the University's name and the purpose for which the funds are requested. Approaches in writing (however transmitted) will also include its address or other contact information.

4.9.2 Donors and prospective donors are entitled to the following information, promptly upon request:

- a) The most recent annual report and financial statements of the University;

- b) Confirmation of the charitable status of the University;
- c) A copy of this Policy.

4.9.3 Donors and prospective donors are entitled to know, upon request, whether an individual who may have approached them on behalf of the University is a volunteer, an employee, or a consultant or freelance fundraiser working on behalf of the University.

4.9.4 It will be the Donor's responsibility to consider whether they require independent advice in respect of whether a donation might affect their financial position, taxable income, or relationship with other family members.

4.9.5 Donors' requests to remain anonymous will be respected as far as is legally, practically, and ethically possible. Any donor records that are maintained by the University will be kept confidential in line with the Data Protection Act 1998. Donors have the right to see their own donor record, and to challenge its accuracy. The University will not sell or exchange personal details of donors.

4.9.6 Donors or prospective donors who request no further contact will not be contacted for fundraising purposes.

4.9.7 The University will respond promptly to a complaint by a donor or prospective donor about any matter that is addressed in this Policy. Department of SRM will seek to deal with any complaint in the first instance in a timely manner. A complainant who remains dissatisfied may request in writing a review of their complaint by the University Secretary, and will be advised of the outcome of this review.

5. Fundraising

5.1 Any approaches made by staff, volunteers and/ or members of the Board of Governors to potential donors on behalf the University should be truthful, accurately describe the University's activities and the intended use of donated funds and ensure donor rights are respected.

5.2 Members of staff, volunteers and/ or members of the Board of Governors who approach or are approached by potential donors to receive funds on behalf of the University shall:

5.2.1 act within the provisions of this Policy and the Related Policies;

- 5.2.2 act with fairness, integrity, and in accordance with all applicable laws;
 - 5.2.3 cease any approaches to a prospective donor on request;
 - 5.2.4 disclose immediately to the University any actual or potential conflict of interest;
 - 5.2.5 not accept donations for purposes that are inconsistent with the University's objects or mission; and
 - 5.2.6 ensure that no inappropriate benefit is secured by a donor in return for a gift.
- 5.3 The University will abide by all applicable laws and regulations relating to the acceptance, solicitation and use of donations and will meet the provisions of the Bribery Act and other relevant legislation intended to protect against bribery in respect of donations.

6. Roles & Responsibilities

- 6.1 Whilst the responsibility for the acceptance and refusal of gifts rests ultimately with the Board of Governors, powers are delegated as per para 4.1 and 4.2 of this Policy to the Resources Committee, UET and the Director of SRM.
- 6.2 Responsibility for carrying out due diligence rests primarily with the CARD team. The University Secretary may however be requested to support and verify the findings of the CARD team from a legal and governance perspective and where necessary help with the preparation of Gift Agreements.
- 6.3 Finance and Commercial Development will advise in respect of the supporting documentation required for finance and audit purposes and will also advise on how and where the gift should be recorded within the University's accounts.

7. Policy Enforcement

- 7.1 Failure to adhere to this Policy could result in disciplinary action in accordance with the University's Staff Disciplinary Policy and Procedure.

8. Dissemination and Communication Plan

- 8.1 This Policy will be disseminated by the Department of SRM to all staff and Governors via email and through University Update.

Appendix A

How Due Diligence will be carried out – Key Questions

The following questions are based on the regulatory standards of “Know Your Donor”. When undertaking due diligence, consider identifying and recording significant answers to any of the following questions (note not all questions will always be relevant):

General Information

1. Who are the donors?
2. What is known about them?
3. Does the university have a well-established relationship?
4. Do any additional identity checks need to be made such as company or bankruptcy searches?
5. Are the donors UK Taxpayers and can gift aid be claimed?
6. If Gift aided does the donation meet all 3 legal tests to avoid being a tainted gift
7. In what form is the money being received?
8. Have any public concerns been raised about the donors or their activities, if so what was the nature, how long ago were they and were there any investigations by police or regulators?
9. Would any adverse publicity about the donor have a damaging effect on the University?

The Nature of the Donation and any conditions

10. How large is the donation, is it single or one of a regular series or the first of a multiple future donation?
11. Is the donation a series of interest free loans from sources that cannot be identified or checked?
12. Are there unusual or substantial one off donations?
13. Are there any conditions and are they reasonable?
14. Is there a condition that funds can be held for a period of time then returned to the donor and interest retained by the University?
15. Are there any conditions that certain organisations or individuals being used to apply funds?
16. Are their conditions on who the beneficiaries are directly or indirectly?
17. Will the University be a conduit for funds for a third party?
18. Are different currencies involved?
19. What are the countries of origin of the funds?

20. Is a known donor using an unusual method of payment than before?
21. Is there anything else unusual?

What to do if there are suspicions

22. Suspicion of Money Laundering (for donations over £10,000) should follow the procedures within the University Money Laundering Policy.
23. Evidence of crime must be reported to the police and /or relevant authorities. In such cases, the matter should be reported to the Director of Legal & Governance Services.
24. Serious incidents must be reported to the charity regulators. In such cases, the matter should be reported to the Director of Legal & Governance Services.
25. Check donors against the Government published lists of proscribed organisations and financial sanctions targets.

Appendix B

Template Gift Agreement

GIFT AGREEMENT TEESSIDE UNIVERSITY

This Gift Agreement (the "Agreement") is made this ____ day of _____ 20XX by and among DONOR NAME (hereinafter referred to as "the Donor"), and the Director of Student Recruitment and Marketing (hereinafter referred to as "the University").

The Donor and the University agree as follows:

1. Donor Commitment.

The Donor hereby pledges to the University the sum of X pounds sterling (£X), which designated for the benefit of INSERT CAUSE and INTENDED BENEFICIARIES.

2. Donor Purpose.

It is understood and agreed that the gift will be used for the following purpose or purposes:

BULLET POINTS DETAILING:

- FUND OR PROJECT (i.e. scholarship, student prize)
- CRITERIA BENEFICIARY/IES MUST MEET (i.e. resident area, subject area)
- ANY SCHOOL OR DEPARTMENT INVOLVEMENT

3. Payment.

It is further understood and agreed that the gift will be paid in full on or before INSERT DATE AGREED WITH DONOR.

4. Naming/Approvals:

The proposed naming of the PROJECT must be mutually acceptable to both the Donor and the University.

5. Gift Aid – WHERE APPLICABLE

It is agreed that the Donor has requested that this donation be treated as a gift aid payment. The Donor has paid or will pay an amount of income tax and/or capital gains tax for the tax year 20XX/20XX that is at least equal to the amount of tax that the University will reclaim in that tax year.

