

# Gift Acceptance and Ethical Fundraising Policy

External Relations

Version: 1.1

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## 1. SUMMARY

- 1.1 This document sets out the University's Gift Acceptance and Ethical Fundraising Policy to define standard procedures for the solicitation and acceptance of philanthropic donations to support Southampton Solent University.
- 1.2 This policy is intended for University staff and for prospective donors and their advisers, providing assurance that all donors are treated equitably. It is not intended to cover gifts and hospitality offered to individual members of the University, which is covered in a separate policy or sponsorship agreements.

## 2. GLOSSARY

**Anti-Bribery Policy** - The University's Policy relating to the Bribery Act 2010.

**Donor** - A person, organisation, trust, foundation, group or legator who gives a philanthropic donation to the University without receiving any material benefit in exchange.

**Due Diligence** - The range of practical steps that need to be taken by the University so it is reasonably assured of the origin of the donations and its donors, and is able to identify and manage associated risks.

**Fundraiser** - Any employee, volunteer or stakeholder who solicits or receives funds on behalf of the University.

**Gift Agreement** - An agreement between both parties - the donor and the University - to clarify the purpose of the donation and any expected outcomes from that gift. Gift Agreements are especially important for restricted funding as they are required in order to establish a restricted fund. Any Gift Agreement should not benefit the donor personally, or offer any kind of sponsorship arrangements. Such an agreement should not give the donor any influence over who is granted appointments, scholarships or other awards.

**Gift Acceptance Committee** - A group of senior University staff whose remit includes:  
a) consider strategic, financial, legal, ethical and reputational issues associated with donations received or prospective donations with a total value of £25,000 or above;  
and b) make a decision on acceptance, retention, or otherwise, of these gifts and any other gifts of concern.

**Fund** - An account for philanthropic donations to support the University mission.

**Legator** - A person who has died leaving a legacy to the University.

**Philanthropic Donation/Gifts** - A gift freely given with no intellectual property rights transfer, no granting of benefits to the donor and no requirement to return any unspent funds to the donor. Donations are received based on the understanding that the purpose of the gift is mutually agreed between the University and the donor. Under charitable law the gift is spent within a reasonable period of time from its receipt and not accumulated or spent on something other than it was intended for.

**Prospect Research** - A technique through which the University gathers relevant information about potential and current donors. It involves the gathering and analysis of biographical, financial, corporate and philanthropic information from a wide variety of sources, both publicly available and those unique to the organisation.

**Restricted Donation** - Donations received by the University in which the donor restricts the use of the donation to a particular purpose.

**Solicited** - Donation is offered to the University following engagement and involvement with a University fundraiser.

**Sponsorship** - A cash or in-kind fee paid to the University in return for access to the commercial potential associated with the University or event. The strategy is to build a link in the target audience's mind between the sponsor and the University (or event) to win consumers and/or key accounts. Sponsorship is undertaken for the purpose of achieving commercial objectives.

**Stewardship** - The administration of gifts and the overseeing, protection and care of the relationship with a donor to strengthen and preserve that relationship over time.

**University** - Southampton Solent University and any future designation, likely to be Solent University, at all sites.

**Unrestricted Donation** - Donations received by the University that may be used towards any purpose the University see fit.

### 3. CONTEXT

- 3.1 As an exempt charity under Paragraph (b) of Schedule 2 of the Charities Act 1993, the University has a responsibility to ensure that the processes of securing and receiving funds is to support the mission and aims of the University and these processes do not compromise its integrity, the trust of its supporters or its commitment to students, staff and communities that it serves.
- 3.2 In addition, the UK Bribery Act 2010 requires the University to ensure that the receipt of a donation is not related to some inappropriate advantage that be afforded to the donor, such as the offer of a university place for a relative. Other relevant legislation includes the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 under which it is an offence to receive, retain or convert money or property known or reasonably suspected to be the product of criminal activity.
- 3.3 The University's Ethics Policy provides a set of principles which staff and students are expected to act within and to take into account when making decisions at the University. All fundraising activities should be conducted in line with the principles set out in the Ethics Policy.
- 3.4 The University's Anti-Bribery Policy sets out its response to the Bribery Act 2010 and general rules and principles which must be adhered to.

## 4. INTRODUCTION

- 4.1 Southampton Solent University accepts funding from a wide variety of public and private sector partners to support delivery of the University mission, as expressed in the '*Building an excellent University*' strategic plan 2015-2020.
- 4.2 This policy has been developed due to a growing interest in fundraising from alumni, grant making trusts and foundations, companies and other interested organisations. The University is beginning to actively encourage philanthropic support, in line with its charitable status, and views establishing such support as a key element in being able to fulfil its mission.
- 4.3 This policy relates to philanthropic donations received by the University, as specified by the Ross-CASE Survey of Philanthropic Giving for Higher Education and shall apply to all philanthropic gifts offered to, and received by, the University. It defines standard procedures for the solicitation and acceptance of philanthropic donations to support Southampton Solent University.
- 4.4 The University must ensure it does not bring itself into disrepute by accepting philanthropic donations from questionable or inappropriate sources and must comply with Higher Education Funding Council for England (HEFCE) procedures on Serious Incident Reporting concerning philanthropic donations, or those of its successor body, the Office for Students.
- 4.5 In undertaking these fundraising activities, the University recognises the need to conduct its fundraising within the context of:
  - The Fundraising Regulator's Codes of Fundraising Practice.
  - The ImpACT (Improving Accountability, Clarity and Transparency) coalition's Transparency Manifesto 4.
  - CASE Europe: Ethical Principles Behind the Acceptance of Gifts.
  - CASE Europe: Donor Bill of Rights.
- 4.6 The University already operates restricted Trust Funds which are not affected by this Policy, but may be in receipt of donations under this Policy.

## 5. DONORS RIGHTS

- 5.1 All fundraising solicitations by or on behalf of the University will disclose the University's name and purpose for which the funds are requested. Written solicitations (however transmitted) will also include the University address or other contact information.
- 5.2 Donors and prospective donors are entitled to the following, promptly upon request:
  - The University's most recently published annual report and financial statements.
  - Confirmation of the exempt charitable status of the University.
  - A copy of this policy.
  - The results of any personal due diligence undertaken by the University.

- 5.3 Donor and prospective donors are entitled to know, upon request, whether an individual soliciting funds on behalf of the University is an employee, volunteer, or other stakeholder.
- 5.4 Donors will be encouraged to seek independent advice if the University has any reason to believe that a proposed donation might significantly affect the donor's financial position, taxable income, or relationship with other family members.
- 5.5 Donor requests to remain anonymous will be respected as far as is legally, practically, and ethically possible. The Vice-Chancellor and Pro Vice-Chancellor (External Relations) will be informed of the names of all donors, but otherwise names will not be shared beyond those with a direct involvement in the solicitation, approval, processing, stewardship and auditing of the donation.
- 5.6 Donor privacy will be respected. All donor records maintained by the University will be kept in accordance with the Data Protection Act (1998) and the General Data Protection Regulations (2016) which replace the Data Protection Act from May 2018. Donors have the right to view their donor record.
- 5.7 Donors and prospective donors will be treated with respect. The University will make every effort to honour donor requests in relation to:
  - Limiting the frequency of solicitations.
  - Not being solicited by telephone, email, text or other technology.
  - Not receiving printed material concerning the University.
- 5.8 The University will respond promptly to a complaint by a donor or prospective donor. The Pro Vice-Chancellor (External Relations) will seek to satisfy the complainant's concerns in the first instance. A complainant who remains dissatisfied will be able to appeal in writing to the Deputy Vice-Chancellor of the University.

## **6. FUNDRAISING PRACTICES**

- 6.1 Fundraising solicitations on behalf of the University will:
  - At all times accord with the general rules and principles of the Anti-Bribery Policy.
  - Be honest and truthful.
  - Accurately describe the University's activities and the intended use of donated funds.
  - Respect the dignity and privacy of individuals who are expected to benefit from a donation.
  - Ensure donor rights are respected.
- 6.2 All communications to potential donors concerning projects will be honest, truthful and comply with the law.
- 6.3 Fundraisers who solicit or receive funds on behalf of the University shall:
  - Adhere to the provisions of this policy.

- Act with fairness, integrity, and in accordance with all applicable laws.
  - Adhere to the provisions of applicable professional codes of ethics, standards of practice etc.
  - Cease solicitation of a prospective donor who identifies solicitation as harassment, undue pressure, or on their request.
  - Not accept philanthropic donations for purposes that are inconsistent with the University's mission.
  - Disclose immediately to the Pro Vice-Chancellor (External Relations) any concern that a donation may contravene any of the criteria contained within this policy or apparent conflict of interest as a result of the University accepting any donation.
- 6.4 Donors must accept that the management and governance of activity funded through philanthropy rest solely with the University.
- 6.5 A written gift agreement is required for all philanthropic donations or pledges to the University over £1,000 for restricted donations and £2,000 for unrestricted donations.
- 6.6 Any media and publicity related to the rejection or acceptance of a donation will be strategically managed through a communications plan by the Head of Communications and Alumni Relations. In the case of acceptance, any media and publicity will be in line with the donor's wishes as per the Gift Agreement.
- 6.7 Paid fundraisers, whether staff or consultants, will be compensated by their contracted salary, retainer or fee, and will not be paid a finder's fee, commissions or other payments based on either the number of donations received or the value of funds raised. Compensation policies for fundraisers, including performance-based compensation practices (such as salary increases or bonuses) will be consistent with the University's policies and practice that apply to non-fundraising personnel.
- 6.8 The University will not sell donors' personal data to third parties.
- 6.9 The Vice-Chancellor will be informed of the number, type and disposition of complaints received from donors or prospective donors about matters that are addressed in this policy.

## **7. ACCEPTANCE AND REFUSAL PRINCIPLE**

- 7.1 The University will only accept philanthropic donations that are consistent with the University's mission and strategy.
- 7.2 Philanthropic donations are accepted by the University on the clear understanding that donors cannot influence the academic freedom or the independence of the University. Selection criteria for admissions are based exclusively on academic achievement along with potential and are independent of philanthropic support of the University. No donation will affect the academic record of any current or future student, nor will it have any bearing on any dispute between a student and the University.

7.3 The University will not accept philanthropic donations where:

- The funds may have been illegally or unethically obtained.
- Acceptance may damage the reputation of the University.

7.4 The University will not accept philanthropic donations if the terms of accepting the proposed donation will:

- Require any illegal action on the part of the University.
- Harm the University's relationship with its students, staff, benefactors, partners, funders, local community or other external stakeholders.
- Fail to meet the requirements of the Equalities Act 2010.
- Be too difficult or expensive to administer, could create unacceptable liability or future expense.
- Create an unacceptable conflict of interest.
- Conflict with the Anti-Bribery Policy (Bribery Act 2010).

7.5 The University will accept philanthropic donations from companies in the UK and overseas if the giving has philanthropic intent and does not fall under one of the seven exclusion criteria set by ROSS-CASE Survey of Philanthropic Giving for Higher Education (listed below).

- Contractual relationship:
  - A contract exists between the two parties which commits the recipient institution to provide an economic benefit for compensation, where the agreement is binding and creates a quid pro quo relationship between the recipient institution and the funder. Contract income, including income for clinical trials, is ineligible.
- Exclusive information:
  - The funder is entitled to receive exclusive information, or other privileged access to data or results emerging from the programme of activity.
- Exclusive publication:
  - The funder is entitled to exclusive rights to publication of research or other results through their own branded communication channels (website, report, etc.).
- Consultancy included:
  - Consultancy for the funder or a linked organisation is included as part of the agreement.
- IP rights:
  - The agreement assigns to the funder any full or partial rights to intellectual property which may result from the programme of activity. This exclusion extends to the provision of royalty-free licenses (whether exclusive or non-exclusive) to the funder, and also to granting the funder first option or similar exclusive rights to purchase the rights to any subsequent commercial



opportunities. If the written agreement includes any actual or potential future benefit of this kind, it must be excluded.

- Other forms of financial benefit:
  - Any other direct financial benefits are required by the funder as a condition of the funding (e.g. discounted courses, training etc.).
- Funder control:
  - The funder retains control over operational decisions relating to the use of funds once the donation has been made. This includes control over appointment and selection procedures to academic posts and student scholarships. Note that this clause has nothing to do with a donor's right to know that a gift will be used for a designated purpose, where applicable, which is entirely consistent with a philanthropic donation.

This list is not comprehensive. There may also be other circumstances where service provision with commercial value means that funding cannot be regarded as having philanthropic intent. The University may still accept income that falls under these exclusion criteria as sponsorship, but not as a philanthropic donation.

7.6 The University will only accept philanthropic donations from a student and/or close relative if there is no personal or academic gain from making such a donation for the student involved.

7.7 The University will not ordinarily accept philanthropic donations from organisations where the majority of their business demonstrates the following characteristics:

- Manufacture and sale of armaments to military regimes.
- Institutional violations of human rights.
- Discrimination against individuals in any shape or form.
- Manufacture and sale of tobacco products.

7.8 The University will decline a donation if it is felt that the gift:

- Does not support the objectives of the University or its agreed policies.
- Would lead to a demonstrable decline in the assets of the University.
- Consists of goods, property or services, which the University cannot lawfully use, convert, sell or exchange in direct support of its aims.
- Is dependent on the fulfilment of unacceptable conditions applied by the donor.

7.9 There is no right to appeal the decision to reject a donation.

## **8. VULNERABLE SUPPORTERS**

8.1. It is possible that we may come into contact with people who are vulnerable and not able to make informed decisions about their giving. This section outlines how we take all reasonable care to identify supporters who may be vulnerable, and what action we take if we suspect a person is vulnerable.

8.2. By 'a vulnerable adult', we mean those people who are lacking the ability, either temporarily or permanently, to make an informed decision about donating money to Southampton Solent University. There are a number of factors which can contribute to vulnerability. Examples of indicators which could mean that an individual is in a vulnerable circumstance or needs additional support could include, but is not limited to:

- Mental illness and mental capacity concerns (both permanent and temporary conditions), including dementia and personality disorders.
- Significant physical illness.
- Physical and sensory disability.
- Learning difficulties.
- Times of stress or anxiety (e.g. bereavement, redundancy).
- Financial vulnerability (where a gift from a donor may impact on their ability to sufficiently care for themselves or leave them in financial hardship).
- Language barriers.
- Influence of alcohol or drugs.

8.3. To ensure that we take all reasonable care to protect vulnerable adults, Southampton Solent University complies with the Institute of Fundraising guidance set out in the document [Treating Donors Fairly: Responding To The Needs Of People In Vulnerable Circumstances And Helping Donors Make Informed Decisions](#). The Fundraising Regulator's Code of Fundraising practice states that:

- Fundraisers must take all reasonable steps to treat a donor fairly, enabling them to make an informed decision about any donation. This must include taking into account the needs of any potential donor who may be in a vulnerable circumstance or require additional care and support to make an informed decision.
- Fundraisers must not exploit the credulity, lack of knowledge, apparent need for care and support or vulnerable circumstance of any donor at any point in time.

8.4. If we suspect that a donor lacks the capacity to make a decision about their donation, Southampton Solent University will not ask for a donation and/or accept a gift. If after the donation is taken we receive evidence that the donor lacked capacity to make the decision to donate, Southampton Solent University will return the donation and measures will be put in place to ensure donations are not solicited from them in the future.

## 9. FINANCIAL ACCOUNTABILITY

9.1 The University's financial affairs will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of national regulators.

9.2 All restricted or designated donations will be used for the purposes for which they are given as agreed with the donor. If necessary due to operational, organisational, legal or regulatory changes, alternative uses of the donation will be discussed where possible with the donor or the donor's legal designate(s). If the donor is deceased or legally incompetent, and the University is unable to

contact a legal designate, the donation will be used in a manner that is as consistent as possible with the donor's original intent. If necessary, the Pro Vice-Chancellor (External Relations) will refer the matter to the Gift Acceptance Committee.

- 9.3 Annual financial reports on fundraising activity will be factual and accurate in all material respects, disclosing the total amount of fundraising revenues and expenses.
- 9.4 External Relations will liaise with Finance to ensure all income is attributed to the correct finance codes and any unplanned unspent funds are discussed with the donor to agree an appropriate course of action.
- 9.5 The cost effectiveness of the University's fundraising programme will be reviewed regularly by the Vice-Chancellor.

## **10. GIFT ACCEPTANCE COMMITTEE**

- 10.1 All philanthropic donations of £25K or more, single gift or cumulative must be approved by the Gift Acceptance Committee. In addition, it is the responsibility of the Pro Vice-Chancellor (External Relations) to ensure that any other gifts below £25,000 where she/he considers that there may be conflict with this policy are approved by the Gift Acceptance Committee.
- 10.2 The membership of the Gift Acceptance Committee shall consist of:
  - Vice-Chancellor (Chair)
  - Pro Vice-Chancellor (External Relations) (Deputy Chair)
  - Chief Finance Officer
  - A member of the University's Board of Governors
  - A Director of Professional Services
  - A Director of School
  - Alumni Relations and Philanthropy Manager (non-voting and committee clerk).
- 10.3 The Gift Acceptance Committee shall typically meet by telephone conference or conduct business via email. 50% of the eligible membership in post, including the Director of Finance shall constitute a quorum.
- 10.4 In making a decision the Gift Acceptance Committee will review the due diligence information on the donor established through a combination of in-house research, advice from relevant colleagues across campus, and consultation with public and private organisations with relevant due diligence expertise.
- 10.5 In the event that the Gift Acceptance Committee has significant concerns about a donation, it can refer a decision to the Board of Governors.
- 10.6 A detailed, written description of the decision making process for all donations that have gone through the Gift Acceptance Committee will be completed and signed off by the Gift Acceptance Committee.
- 10.7 There is no right to appeal the decision to accept or reject a donation.

10.8 Full terms of reference are available on request.

## **11. GIFT AGREEMENTS**

11.1 A written gift agreement is required for all philanthropic donations or pledges to the University over £1,000 for restricted donations and £2,000 for unrestricted donations.

11.2 All gift agreements provided to donors by the University should be in the form of templates which are available from External Relations and agreed by the Pro Vice-Chancellor (External Relations).

11.3 Gift Agreements must include:

- Donor name and address.
- Name of the award/programme relating to the gift.
- Gift amount and summary of gift instalments.
- Purpose of the donation.
- Any awarding regulations - particularly for scholarship/bursary gifts.
- Management of gift - who is responsible for the donation at the University.
- Details of any stewardship commitments - recognition, promotion, publicity, reporting etc.
- Any agreements made in regards to naming.
- How changes to conditions are dealt with.

11.4 Restrictions related to the use or purpose of a donation should be written as preferences to allow the University the ability to ensure future use.

## **12. RETURNING A DONATION**

12.1 Once the University has accepted the donation it can only be returned if:

- The terms and conditions of the donation provided for it to be returned under particular circumstances.
- The law specifically provides for the donation to be returned, for example under section 61 of the Charities Act 1992, donations over £50 made by debit or credit card are subject to a seven day cooling-off period.
- It relates to the clause 8.4 above on vulnerable supporters.

12.2 Any refunds requested from donors must be approved by The Gift Acceptance Committee.

## **13. PROSPECT RESEARCH AND DATA PROTECTION**

13.1 External Relations will ensure it is in compliance with the Data Protection Act (1998), General Data Protection Regulations (2016) (this replaces the Data Protection Act from May 2018) and the Privacy and Electronic Communications

Regulations 2003, and follows the advice given by the University Data Protection Officer so that it does not obtain, process, store or share data unlawfully.

13.2 When conducting prospect research, External Relations will:

- Have a clear understanding of what information is fair and relevant to the purpose it is being used for.
- Not use unethical methods to obtain prospect research information
- Avoid personal prejudice and bias.
- Be honest and transparent with regard to purpose and identity when seeking information.
- Take into account the reliability of the sources of information used.
- Ensure that research when presented is accurate and relevant to its purpose and timely.

13.3 External Relations will at all times be aware of the sensitivity of information gathered and held on alumni, other individuals, organisations and external stakeholders. This will aid the University's compliance with data protection legislation and ensure that information acquired, particularly information not in the public domain, is treated with the utmost respect.

13.4 When using external suppliers or when data is shared with a third party, for example mailing houses, the University will ensure that all issues, such as data ownership, fitness for use and confidentiality, are governed by a legally binding contract.

13.5 The University will require companies appointed to carry out data processing on the University's behalf to sign the Agreement Relating to Data Processing drawn up by the University's Data Protection Officer. Any Data Processing agreements that companies wish the University to accept must be sent to the University's Data Protection Officer for approval.

## 14. LEGAL AND FINANCIAL ADVICE

14.1 The University does not provide legal advice or financial planning services for donors. Prospective donors should seek the assistance of their own legal and financial advisors in matters relating to donations and to tax and estate planning consequences.

14.2 To avoid conflicts of interest or the appearance of improper influence, the University will not pay legal or other fees for the preparation of a donor's will or other documents which name the University as a beneficiary.

## 15. CONFIDENTIAL ADVICE AND GUIDANCE

15.1 Should any member of staff be aware of a potential reputation issue, they can contact the Alumni Relations and Philanthropy Manager at [alumni@solent.ac.uk](mailto:alumni@solent.ac.uk) for confidential advice and guidance.

## 16. UNIVERSITY RELATED POLICIES, PROCESSES AND GUIDELINES

- 16.1 [The Bribery Act 2010/Anti-Bribery Policy](#)
- 16.2 [Ethics Policy](#)
- 16.3 [Financial Regulations](#)

## 17. ESCALATION OF ANY MATTER CONTAINED WITHIN THIS POLICY

- 17.1 Any matter not resolved satisfactorily in line with both the Gift Acceptance and Ethical Fundraising Policy, should, in the first instance, be escalated to the Pro Vice-Chancellor (External Relations) who in turn may escalate to the Deputy Vice-Chancellor.

## 18. REFERENCES

- 18.1 [The Fundraising Regulator's Codes of Fundraising Practice](#)
- 18.2 [The ImpACT \(Improving Accountability, Clarity and Transparency\) coalition's Transparency Manifesto 4](#)
- 18.3 [CASE Europe: Ethical Principles Behind the Acceptance of Gifts](#)
- 18.4 [CASE Europe: Donor Bill of Rights](#)
- 18.5 [Ross-CASE Survey of Philanthropic Giving for Higher Education](#)
- 18.6 [HEFCE - Serious Incident Reporting](#)