

## Policy Update – Policy and Guidance on the Acceptance of Donations

Please see below the key changes to the University's Policy and Guidance on the Acceptance of Donations for your attention and action.

This MyCompliance message is also available to for you to view and action through your MyCompliance Library available here <https://cloud.metacompliance.com/>

### **Key amendments**

Key amendments in the Policy include the agreed changes to the gift sign-off level, the establishment of the Gift Acceptance Panel and its Terms of Reference, along with some clarity around due diligence and the requirement of gift agreements.

## 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:
  - a) Improving the student experience (i.e. scholarship provision, student prizes);
  - b) Developing the campus experience (i.e. capital projects, securing resources and equipment);
  - c) 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's 'Communications and Development' Department (CAD) oversees all alumni and stakeholder engagement, and is responsible for facilitating philanthropic donations to the University.
- 1.4 The CAD Department works with colleagues across the University to obtain and record donations from all donors. The CAD Department should be made aware of all philanthropic gifts and grants brought into 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.

## 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; money/property left under legacies or bequests; or free loans or hire of equipment that would not otherwise be available on the open market and therefore representative of a donation of value.

## 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 Director of CAD.
- 4.2 The scheme of delegation for accepting donations are as follows:

<b>Amount</b>	<b>Approval Route</b>	<b>Reporting / Record Keeping</b>
Donations of up to £100k, or donations / long-term	Director of CAD / Director	Record of gift retained on alumni database Raiser’s Edge;

loans of artwork or goods up to an insurance value of £100k	of MIMA	Gift Agreement (or equivalent) required for gifts of over £10k; Gifts of over £10k reported to UET.
Donations over £100k and under £250k, or equivalent in donations / long-term loans of artwork or goods	Gift Acceptance Panel	Record of gift retained on alumni database Raiser's Edge; Gift Agreement (or equivalent) required; Gifts reported to Resources Committee.
Donations of £250k or over, or equivalent in donations / long-term loans of artwork or goods	Resources Committee	Record of gift retained on alumni database Raiser's Edge; Gift Agreement (or equivalent) required; Gifts reported to Board of Governors.

4.3 The Gift Acceptance Panel has a membership of five core Officers, though other staff may be invited to attend meetings from time to time, depending upon the items under discussion. The Officers of the Panel are:

- Vice-Chancellor
- Chief Operating Officer
- University Secretary
- Director of Finance & Commercial Development
- Director of Communications & Development

4.4 Three members of the Panel constitute a quorum, one of whom must always be the Vice-Chancellor.

4.5 Meetings are convened on an ad-hoc basis as required by incoming gifts meeting the scheme of delegation, and may be conducted remotely or via email where Officers agree this is appropriate.

## 5. How Donations are Used

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

5.1.2 All Major Gift donations to the University must be brought to the attention of CAD, and their potential designation declared and agreed with the CAD Director. If the donor does not wish to stipulate a specific use or cause for their donation, the Gift Acceptance Panel will allocate its use according to University priorities.

5.1.3 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 CAD Department.

5.1.4 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 as agreed by the Gift Acceptance Panel.

- 5.1.5 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).

## 6. Acceptable sources of Funding

- 6.1.1 Teesside University accepts philanthropic funding from a wide variety of public and private sector sources willing to support it in accomplishing its mission.
- 6.1.2 Depending upon the amount of the donation, the Director of CAD, the Gift Acceptance Panel, and / or Resources Committee 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 CAD Department to deal with as per para 4.1 and 4.2. Furthermore, the CAD Department should be contacted before any member of staff, member of the Board of Governors, or other University representative approaches a potential donor.
- 6.1.3 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 objectives;
  - 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.

- 6.1.4 If the Gift Acceptance Panel considers that there are significant issues involved when deciding whether to accept a donation in the circumstances set out at 6.1.3 (above) they may seek advice, formally or informally, 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 light of all of the available information, if the best interests of the University are served in accepting or refusing the donation in question
- 6.1.5 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.

## 7. Due Diligence

- 7.1.1 It is the responsibility of employees and Governors who solicit or receive funds on behalf of the University to disclose immediately to the Director of CAD any concern that a donation may contravene this Policy. In any event, basic due diligence will be carried out on all donations made over the sum of £10,000 (major gifts), with a more advanced level of due diligence undertaken for gifts over the sum of £100,000. Gifts at any level which are perceived to carry undue risk may be subject to due diligence and escalated to the Gift Acceptance Panel regardless of their value.
- 7.1.2 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.
- 7.1.3 Due diligence will be primarily coordinated by the CAD Department, with support from Legal and Governance Services (LGS) as required. It 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.

7.1.4 Where donated funds may be linked to 'cautionary topics', for example armaments, alcohol, tobacco, child labour, human rights violations, gambling, pornography, or explicit environmental damage – amongst any other issues which might be considered to carry reputational risk by association – gifts will automatically be escalated to the Gift Acceptance Panel for additional due diligence and consideration in line with the University's mission and values.

7.1.5 The outcome of any due diligence undertaken by the CAD Department will be escalated to the appropriate decision-making body for consideration (the Director of CAD, Director of MIMA, GAP or Resources Committee, depending on the gift value and outcome of the due diligence research).

## 8. Use of Gift Agreements

8.1.1 The University will seek formal documentation for all gifts of £10,000 and over, preferably consisting of a dual-signed Gift Agreement, though at minimum consisting of clear written instructions summarizing the gift amount, purpose, payment schedule, and duration, which should be provided by the donor and acknowledged by the University. Gift Agreements will be drawn up in consultation with the donor and agreed before the donation is fulfilled.

8.1.2 If a donor wishes to remain anonymous the University will honour such requests by ensuring only the staff/approving authority involved in securing the gift will be made aware of the donation.

## 9. Donor's Rights

9.1.1 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.

9.1.2 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.

- 9.1.3 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.
- 9.1.4 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.
- 9.1.5 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 2018. 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.
- 9.1.6 Donors or prospective donors who request no further contact will not be contacted for fundraising purposes.
- 9.1.7 The University will respond promptly to a complaint by a donor or prospective donor about any matter that is addressed in this Policy. The CAD Department 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.

## 10. Fundraising

- 10.1 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.
- 10.2 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:
  - a) act within the provisions of this Policy and the Related Policies;
  - b) act with fairness, integrity, and in accordance with all applicable laws;
  - c) cease any approaches to a prospective donor on request;
  - d) disclose immediately to the University any actual or potential conflict of interest;
  - e) not accept donations for purposes that are inconsistent with the

University's objects or mission; and

- f) ensure that no inappropriate benefit is secured by a donor in return for a gift.

10.3 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.

## 11. Roles & Responsibilities

11.1 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 Director of CAD, the Director of MIMA, the Gift Acceptance Panel, and Resources Committee.

11.2 Responsibility for carrying out due diligence rests primarily with the CAD Department. The University Secretary and LGS may however be requested to support and verify the findings of the CAD Department from a legal and governance perspective and where necessary help with the preparation of Gift Agreements.

11.3 The Finance and Commercial Development Department 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.

## 12. Policy Enforcement

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

## 13. Dissemination and Communication Plan

13.1 This Policy will be disseminated by the Department of Communications and Development to all staff and Governors via email and through University Update.