



Gift Acceptance Policy and Ethical Fundraising Practice

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with guidance from the University's Governance Team and Finance Department**

1. Definitions	1
2. Introduction.....	3
3. Statement of Charitable Status & Legalities	3
4. Gifts in Kind.....	4
5. Ethical Guidelines for Acceptable Sources of Funding	5
6. Gift Acceptance Procedures.....	6
6.1 Gift Acceptance Due Diligence.....	6
6.2 New Funds Committee	6
6.3 Gift Acceptance Committee.....	6
6.4 Gift Agreements and Statements of Donor Wishes	7
6.5 Receipts.....	7
7. Donor Rights.....	7
8. Fundraising Practices	8
9. Data Protection	9
10. Financial Accountability	9
11. Returning a Donation	10
12. Gift Acceptance Policy Review	11

1. Definitions

Assignment

The process whereby a fundraiser is made the designated canvasser for a prospective donor.

Canvasser

A University staff member who has been designated as the primary relationship manager for a donor or prospective donor.

Donor

A person, organisation 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 that it is reasonably assured of the origin of the gifts and its donors, and is able to identify and manage associated risks.

The University operates in line with the '[Know Your Donor](#)' principles as set out by the Charity Commission, which recommend that to fulfil legal duties, the University should carry out Due Diligence on donations, to consider the risks associated with accepting the gift (factors to consider include size, nature and whether it appears to have any suspicious characteristics).

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 gift 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 and volunteers whose remit is to consider strategic, financial, legal, ethical and reputational issues associated with prospective gifts or gifts received with a total value of £100,000 or above; and to make a decision on acceptance, retention, or otherwise, of these gifts.

Fund

An account for philanthropic donations to support the University mission.

Legator

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

New Funds Committee

A group of senior University staff whose remit is to consider strategic, financial, legal, ethical and reputational issues associated with establishing a new Fund; to make a decision on acceptance, or otherwise, of the new Fund and (for approved Funds) to provide internal and external reassurance that the University will effectively manage any established Fund.

Solicited

A donation that is offered to the University following engagement and involvement with a fundraiser.

University

The University of Nottingham.

Unsolicited

A donation that is offered to the University without any prior engagement with a fundraiser.



2. Introduction

The University of Nottingham accepts funding from a wide variety of public and private sector partners and individuals from across the globe, to support the delivery of the University Strategy. The Campaign and Alumni Relations Office (CARO), along with key senior staff, led by the Vice-Chancellor, actively pursue the solicitation and acceptance of philanthropic gifts. This document relates to all philanthropic donations received by the University, as specified by the CASE-Ross Survey of Philanthropic Giving for Higher Education and shall apply to all gifts offered to, and received by the University for any of its departments, centres and programmes.

As an exempt charity and a global seat of Higher Education and scholarship, the University has a responsibility to ensure that the processes of securing and receiving funds to support the life and work of the University do not compromise its integrity, the trust of its supporters or its commitment to students, staff and the global communities that it serves. The University must ensure it does not bring itself into disrepute by accepting philanthropic donations from questionable or inappropriate sources and must comply with the [Office for Students \(OfS\) Regulatory advice for Exempt charities](#) in relation to philanthropic donations.

This document sets out the University's Gift Acceptance Policy and Ethical Fundraising Practice to define standard procedures for the solicitation and acceptance of philanthropic gifts to support the University of Nottingham.

The University expects all of its staff and students to follow the ethical behaviours set out in [the Nolan Principles](#). Those are: selflessness, integrity, objectivity, accountability, openness, honesty and leadership. These Principles underlie [the University's Ethical Framework](#) and all policies referenced therein.

3. Statement of Charitable Status & Legalities

- 3.1 As a Higher Education Institution, the University of Nottingham is an exempt charity X15294 under the provision of the Charities Act 2011. As such it has the same tax benefits as registered charities which include the ability to recover tax deducted from deeds of covenant and receipts under Gift Aid, exemption from Inheritance Tax for donors to the institution and exemption from Capital Gains Tax.
- 3.2 In addition, the Trustees of the University have a legal responsibility to safeguard the University's assets, financial resources and reputation from undue risk. To minimise this risk, the University takes reasonable steps to assess and manage gift acceptance, to ensure that the processes of securing and receiving funds to support the life and work of the University do not compromise its integrity, the trust of its supporters or its commitment to students, staff and the global communities that it serves.
- 3.3 Exempt charities are organisations whose purposes are charitable, but which are accountable to a body other than the Charity Commission. The University of Nottingham is accountable to the Office for Students (OfS) as the Principal Regulator under the Charities Act and, given the comprehensive monitoring and audit processes already in place, is exempt from registration with the Charity Commission.



- 3.4 Universities must observe the requirements of charity law and other relevant legislation in relation to the receipt and expenditure of funds. This includes the UK Bribery Act 2010, which 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 close relative or the award of a contract). 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. As part of our due diligence checks, we require any organisations with an annual turnover of more than £36 million to have filed a Modern Slavery Statement, in accordance with the Modern Slavery Act 2015.
- 3.5 The University is defined as a Public Authority for the purposes of the Freedom of Information (FOI) Act. Information about the University's philanthropic activity, including details of our donors and their donations, may be shared in accordance for FOI Requests. Where possible we will strive to maintain the privacy of our donors within any response, but this may not always be possible where the donor is an organisation. For more information, refer to the University's [Freedom of Information webpages](#).

4. Gifts in Kind

- 4.1 Gifts in kind are classed by the Charities Statement of Recommended Practices ([SORP](#)) as donations of goods, facilities or services. The University is offered a broad range of gifts in kind. Examples include:
- Equipment
 - Artwork
 - Books, documents and manuscripts
 - Use of office/meeting space and/or hospitality (e.g. food and drink for an event)
 - Fee waivers for professional services
- 4.2 The acceptance of Gifts in Kind must follow the Gift Acceptance Procedures outlined in section 5 of this Policy. Due to limited space and staffing resource, the University must be selective in what can be accepted.
- 4.3 Value, relevance and operational requirements are the determiners for the acceptance of Gifts in Kind. Factors that will be considered are:
- Financial value (i.e. for resale)
 - Value to research
 - Value to education
 - Associated costs (e.g. for storage, maintenance or restoration)
 - (Of equipment) Expected life span
- 4.4 All Gifts in Kind of goods must be independently valued (other than if the costs of valuation would outweigh the benefit of the donation to the University). The value of the gift to the University is the amount that the University would pay in the



open market for an alternative item that would provide an equivalent benefit to the donation.¹

- 4.5 All Gifts in Kind of services must be accompanied by an invoice or other form of paperwork which states their commercial value.
- 4.6 Any accepted Gifts in Kind will become the property of the University, and the University reserves the right to determine the appropriate use, sale and/or disposal of the donation.
- 4.7 Donations to Libraries, Manuscripts and Special Collections will be handled following their local guidance. The Gift Acceptance Policy also applies to these donations:
- [Donations Policy](#) (part of the [Collection Policy for Libraries](#))
 - Acquisitions Policy for [Manuscripts & Archives](#), [Rare Books](#) and [East Midlands Collection](#)

5. Ethical Guidelines for Acceptable Sources of Funding

- 5.1 The University will only accept philanthropic donations
- That have philanthropic intent
 - That are consistent with the University mission
 - If it is clearly understood and accepted by all parties that impartial, independent research, scholarship and teaching are the basis for the furtherance of knowledge
- 5.2 The University will not accept philanthropic donations
- That arise in whole or in part from any illegal activity
 - If the terms of acceptance will:
 - Require any illegal action on the part of the University
 - Create an unacceptable conflict of interest
 - Damage the reputation of the University
 - Harm the University's relationship with its students, staff, alumni, benefactors, research supporters, partners, local community or other external stakeholders
- 5.3 In accordance with the ROSS-CASE Survey of Philanthropic Giving for Higher Education, gifts from companies in the UK and overseas are acceptable sources of philanthropic funding if the giving has philanthropic intent AND does not fall under one of the seven exclusion criteria:
- Contractual relationship
 - Exclusive information
 - Exclusive publication
 - Consultancy included

¹ See additional guidance in the SORP – [Appendix 1, SORP 6.15](#)



- IP rights
- Other forms of financial benefit
- Donor control

The University may still accept income that falls under these exclusion criteria, but not as a philanthropic donation.

5.4 The University will not ordinarily accept philanthropic donations from organisations or individuals where the major part of their business or income demonstrates one or more of the following characteristics:

- Discrimination against an individual or group in any shape or form
- Explicit environmental damage
- Gambling
- Institutional violations of human rights, including exploitation of the work force
- Manufacture and sale of armaments to military regimes
- Manufacture and sale of tobacco products

6. Gift Acceptance Procedures

6.1 Gift Acceptance Due Diligence

- 6.1.1 Due Diligence must be completed by the CARO Prospect Development Team prior to, or otherwise within two months of receiving a gift, or cumulative gifts of over £25,000.
- 6.1.2 Due Diligence is performed to verify whether engagement with a prospective donor and/or a proposed donation aligns with the University's Ethical Guidelines for Acceptable Sources of Funding.

6.2 New Funds Committee

- 6.2.1 All philanthropic donations where the request for spend is restricted and/or beyond the current financial year must be approved by the New Funds Committee.
- 6.2.2 In the event that the New Funds Committee has significant concerns about a proposed donation, it may seek guidance from the Gift Acceptance Committee on whether or not the donation should be accepted by the University.
- 6.2.3 A copy of the New Funds Committee Terms of Reference and current membership is available on request.

6.3 Gift Acceptance Committee

- 6.3.1 All cumulative philanthropic donations of £100,000 or more must be approved by the Gift Acceptance Committee.



- 6.3.2 Gift Acceptance Committee approval is not required for organisations that are registered with the Charity Commission, as long as the due diligence checks raise no concerns and the Director of Advancement approves the acceptance of the gift. (The [Charity Commission](#) is the regulator of charities in England and Wales and is responsible for holding charities to account and ensuring the public can support charities with confidence)
- 6.3.3 In the event that the Gift Acceptance Committee has significant concerns about a donation, it can refer a decision to the University Executive Board.
- 6.3.4 A copy of the Gift Acceptance Committee Terms of Reference and current membership is available on request

6.4 **Gift Agreements and Statements of Donor Wishes**

- 6.4.1 A document (electronic or otherwise) summarising the gift amount, purpose, payment schedule and duration of spend (as a minimum) must be acknowledged by the donor, the receiving department within the University and by the Campaign and Alumni Relations Office for:
- All gifts of £5,000 or more from a single donor
 - All restricted gifts
 - All gifts of any value where the donor-specified spend will extend beyond the current financial year
- 6.4.2 Written evidence of this acknowledgement, either through dated correspondence or a signed Gift Agreement or Statement of Donor Wishes, must be retained by the Campaign and Alumni Relations Office in order to comply with the Code of Fundraising Practice (as outlined by the Fundraising Regulator.). Where it is not possible to obtain written acknowledgement, the Canvasser is responsible for recording the acknowledgment (including the way in which it was made) for future reference.

6.5 **Receipts**

- 6.5.1 A receipt will be provided to all donors for all gifts received directly by the University.

7. **Donor Rights**

- 7.1 All fundraising solicitations by or on behalf of the University will disclose the University's name and the purpose for which the funds are requested. Written solicitations (however transmitted) will also include the University address or other contact information.
- 7.2 Donors and prospective donors are entitled to the following, promptly upon request:



- The University's most recent Global Review document and financial statements
 - Confirmation of the exempt charitable status of the University
 - A copy of this Gift Acceptance Policy and Code of Ethical Fundraising Practice
 - The results of any personal due diligence undertaken by the University
- 7.3 Donors and prospective donors should be told whether an individual soliciting funds on behalf of the University is an employee, volunteer, or other stakeholder.
- 7.4 Donors will be encouraged to seek independent advice if the University has any reason to believe that a proposed gift might significantly affect their financial position, taxable income, or relationship with other family members. University Fundraisers must follow the *Working with Donors and Potential Donors in Vulnerable Circumstances* guidance (and Section 8 of this policy)
- 7.5 Donors have the right to request that their philanthropic donations are allocated to a specific area of University activity in accordance with legal and ethical guidelines.
- 7.6 Donor requests to remain anonymous will be respected as far as is legally, practically and ethically possible. The Vice-Chancellor and Director of Advancement 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 gift.
- 7.7 Donors and prospective donors will be treated with respect. The University will make every effort to honour donor requests in relation to frequency and type of solicitations and communications.
- 7.8 The University will respond promptly to a complaint by a donor or prospective donor. The University's *Fundraising Complaints Policy* outlines the approach to complaints and is available on request if a donor or prospective donor has a particular concern about fundraising practices.

8. Fundraising Practices

- 8.1 The University of Nottingham is registered with the Fundraising Regulator, and adheres to the Code of Fundraising Practice. The University follows the [Fundraising Promise](#), and is committed to ensuring that all fundraising activities are legal, open, honest and respectful.
- 8.2 All fundraising solicitations by or on behalf of the University will:
- Be truthful
 - Accurately describe the University's activities and intended use of donated funds
 - Respect the dignity and privacy of those who benefit from philanthropic donations
- 8.3 Fundraisers who solicit or receive funds on behalf of the University shall:
- Adhere to the provisions of this Gift Acceptance Policy and Ethical Fundraising Practice, and the Fundraising Regulator's Code of Fundraising Practice



- Act with fairness, integrity and in accordance with all applicable laws
- Provide truthful information about fundraising activity, without exaggeration or underestimation
- Not express or suggest in public information that fundraising activity is without cost
- Adhere to the provisions of applicable professional codes of ethics and standards of practice to include The Data Protection Act (2018), Bribery Act (2010) and Charities Act (2011)
- Cease solicitation of a prospective donor on request
- Keep donors and prospective donors informed of any current fundraising and accounting legislation or scheme which is appropriate to their donation, such as the *Statement of Recommended Practice: Accounting for Further and Higher Education* (2007)
- Report immediately to the Director of Advancement any philanthropic donations which they consider to be a cause for concern and any actual or apparent conflict of interest as a result of the University accepting a donation
- Not accept a donation where there is a reason to believe that the donor is experiencing vulnerable circumstances and/or accepting the donation could be harmful to the donor

8.4 Fundraising staff and consultants will be compensated by a salary, retainer or fee and will not be paid commissions or other payments which are based on the number of gifts obtained, or the value of those gifts outside or beyond the University's formal compensation arrangements which are applicable to all staff of the University.

8.5 Donor and prospective donor information, developed by or on behalf of the University, will not be used for any purpose other than to further relationships with the donor or prospective donor.

9. Data Protection

9.1 The University will ensure compliance with the Data Protection Act (2018), Privacy and Electronic Communications Regulations (2003) and all subsequent Data Protection legislation.

9.2 The University will at all times be aware of the sensitivity of information gathered and held on alumni, other individuals and organisations. This will aid compliance with data protection legislation and ensure that information obtained via all channels (particularly information not in the public domain) is treated with utmost respect and confidentiality. The University has completed a Legitimate Interests Assessment on activities relating to Gift Acceptance and Due Diligence, and the Privacy Policy for alumni, supporters and friends can be found [here](#).

10. Financial Accountability

10.1 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 and international regulators.



- 10.2 All philanthropic donations will be used as agreed with the donor. As appropriate, a Gift Agreement or Statement of Donor Wishes will be produced by the Campaign and Alumni Relations Office, setting out the purpose and terms of the gift as agreed between the donor and the receiving school or department within the University.
- 10.3 If necessary, due to programme, organisational, legal or regulatory changes, alternative uses of restricted/designated philanthropic donations will be discussed with the donor or donor's legal designate(s). If the donor is deceased or legally incompetent and the University is unable to contact a designate, the donation will be used in a manner that is as consistent as possible with the donor's original intent. If necessary, the Director of Advancement will refer the matter to the Gift Acceptance Committee and ultimately to the University Executive Board.

11. Returning a Donation

- 11.1 The University will return donations when it has a legal obligation to do so or if University Executive Board (UEB) is agreed that there is a moral obligation².
- 11.2 As set out by the [Fundraising Regulator](#), there may be a legal obligation to return a donation if the conditions attached to the gift require its return. There are two examples where this could apply for the University:
- An unsuccessful fundraising appeal, where some money was donated for a specific purpose, but the appeal either did not reach its target or the purpose of the appeal is no longer viable.³
 - A donation from a trust or foundation is usually given with a set of terms and conditions that the University must meet. If the University does not meet these terms and conditions the trust or foundation has a legal basis for requesting that the donation is returned.
- 11.3 There may be situations where the University does not have a legal obligation to return a donation but UEB (after receiving a recommendation from the Gift Acceptance Committee) feels that there is a moral obligation to do so. An example of this may be a donation left in a Will – sometimes a charity receives a larger gift than the testator really intended because of a legal technicality or an oversight on the testator's part. If UEB makes the decision that the University has a moral obligation to return a donation when it has no legal obligation to do so, this will be raised for authorisation by the OfS.

² The Gift Acceptance Committee may also make a decision to return/not accept a donation, based on due diligence carried out on the donor, as per Section 5 of this policy. This applies to proposed philanthropic donations and philanthropic donations already received by the University.

³ The University's Gift Agreement template includes the following clause: "It is anticipated that the Donation will encourage continuation of the Activities and therefore that no alternative use of the Fund will ever need to be considered. In the unlikely event that the Activities can no longer be undertaken, any alternative use will be made in consultation with the donor. If the donor is not available, the Fund will be used for more general purposes as determined by the University, whilst at all times taking the original spirit of the donation into account."



- 11.4 Once a decision has been agreed upon to return a gift it will be refunded in accordance with the University's Refund Policy to ensure compliance with the Anti-Money Laundering Regulations (2007).

12. Gift Acceptance Policy Review

This policy will be reviewed by CARO in conjunction with any significant changes to regulations. The outcomes of such reviews will be reported to the University Executive Board as appropriate.