



University of Brighton

Donation Acceptance, Disbursement and Ethical Fundraising Policy Prepared by the Philanthropy and Alumni Engagement (PAE) department

1. Definitions

Disbursement: the approved release of philanthropic funds for specific expenditure, ensuring such release is in line with the original wishes of donor in the case of restricted donations.

Donor: a person, organisation or legator who undertakes a transfer of money or assets with philanthropic intent (**gift/donation**) for the university without receiving any material benefit in exchange.

Due diligence: the range of practical steps that should be taken by the university so it is reasonably assured of the provenance of the funds given by donors, and is able to identify/manage associated risks. Currently this is undertaken for all potential/actual donations worth £25,000 or more and also in cases of lower amounts when concerns are identified about a potential or actual donation.

Fund: an account for philanthropic donations within the university's financial system

Gift agreement: an agreement between the donor and the university to clarify the purpose of the gift and any expected outcomes. Such documents are especially important for restricted gifts. Any gift agreement should not benefit the donor personally or offer any kind of formal sponsorship arrangements. In addition, the agreement should not provide the donor a casting vote in terms of scholarship/award allocation or staff recruitment processes.

Gift Oversight Group (GOG): a senior university group (staff and external supporters) whose remit is a) to consider strategic, financial, legal, ethical and reputational issues associated with donations already received or prospective gifts; b) to make a decision on acceptance, retention, or otherwise of gifts; and c) to ensure donations are disbursed appropriately.

Legator: a person who has left a charitable bequest in their will for the benefit of the university.

Restricted/unrestricted: Restricted donations are those given with a specific purpose in mind on behalf of the donor, whereas unrestricted donations are given to allow the university to respond to the areas of greatest need or in line with institutional priorities, provided they complement the university's charitable purposes.

2. Introduction

2.1 The University of Brighton actively seeks philanthropic gifts from donors as a legitimate and vital element of its overall funding, enabling it to achieve real excellence in its education, research and outreach missions as outlined in its institutional strategy. The Philanthropy and Alumni Engagement department, along

with key senior staff, led by the Vice-Chancellor, actively pursue the solicitation and acceptance of philanthropic income.

2.2 This policy relates to the acceptance and disbursement of such gifts (including bequests) and in general the institution's fundraising practises to ensure orderly, transparent and appropriate processes.

2.3 This policy covers fundraising activities on behalf of the University of Brighton by staff, contractors or volunteers. Any fundraising by students for particular projects or events sits outside of the remit of this policy, unless acting on behalf of the Philanthropy and Alumni Engagement department and/or using the university's charitable status. All University of Brighton staff, contractor or volunteers who seek to raise philanthropic funds for the university must do so in liaison with the Philanthropy and Alumni Engagement department to ensure compliance with this policy and also the information outlined in the university's [Financial Regulations](#) about philanthropic donations. Efforts to secure donations by any university school, unit, centre or department must be brought to the attention of the Philanthropy and Alumni Engagement department before activity commences

2.4 This policy should be read in conjunction with the university's [Anti-Bribery policy](#).

2.5 The University of Brighton will seek Gift Aid and tax on gifts that are eligible.

2.6 The Philanthropy and Alumni Engagement department (in liaison with the Finance Department) is responsible for the day to day operation of this policy and this policy will be reviewed annually.

2.7 Projects/activities for which funds shall be actively sought will be identified as part of agreed overall institutional fundraising priorities (as outlined in a Case for Support or similar) and these will change and develop over time, being reviewed and approved by the University Executive Board and Board of Governors.

2.8 Any questions, requests for advice or similar regarding philanthropic donations made to the university should be referred to the Director of Philanthropy and Alumni Engagement who will act on behalf of the university and the Board of Governors.

3. Statement of charitable status

3.1 The University of Brighton is a Higher Education Corporation by virtue of the Education Reform Act 1988 amended by the Further and Higher Education Act 1992.

3.2 As a Higher Education Corporation, the university is an exempt charity under Schedule 3 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.

3.3 Exempt charities are organisations whose purposes are charitable, but which are accountable to a body other than the Charity Commission. The University of Brighton has the Higher Education Funding Council for England (HEFCE) as its principal regulator and given the comprehensive monitoring and audit processes already in place is exempt from registration with the Charity Commission.

3.4 The University of Brighton will at all times observe the requirements of charity law and other relevant legislation in relation to the receipt and expenditure of donated funds (including demonstrating how the university has delivered its charitable purposes for the public benefit.)

3.5 The Board of Governors are the trustees of the university as an exempt charity and as such this policy outlines how the institution enables the Board to discharge their duties as trustees appropriately.

4. Ethical guidelines for donation acceptance

4.1 The test of compliance with this policy must be undertaken prior to solicitation wherever possible rather than at the point of acceptance.

4.2 The acceptance of donations must adhere to the following key principles:

- The University of Brighton values and will protect the autonomy and academic freedom of the university community. The university will therefore decline any donation that restricts academic freedom.
- The University of Brighton will normally publish both the names of the donors and the purpose for which donations have been made. Where a donor wishes to remain anonymous, every effort will be made to respect that wish within the limits of the law. Any questions relating to anonymous donations should be referred to the Director of Philanthropy and Alumni Engagement.

4.3 In accepting philanthropic donations, the university and individual colleagues will consider and be guided by the following set of questions:

Will the donation...

- contribute to the university's aims as set out in the institutional strategy?
- expose the university to the risk of undue adverse publicity or reputational risk?
- require unacceptable or additional expenditure of university resources?
- create unacceptable conflicts of interest?
- potentially harm the university's relationships with other donors or stakeholders or inhibit unreasonably, the university's ability to seek support from other donors?
- involve anything which is illegal?
- involve anything that may be seen to be unethical
- involve anything that is contrary to the stated values of the university?

An internal checklist for initial due diligence has been developed for use by all staff involved in gift solicitation to enable 'on the spot' assessments.

For all donations (potential/actual) worth £25,000 or more (and in the case of donations, again potential or actual, of lower amounts where concerns are identified), a more detailed due diligence exercise will be undertaken for review by the Gift Oversight Group.

The university's [Financial Regulations](#) and specifically the section entitled '[Anti-Fraud, Bribery & Corruption Policy](#)' set out the code of conduct expected of all individuals

associated with the delivery of the University's services and business/financial transactions, wherever these occur in the world (point 8).

4.4 In terms of donations given by organisations (UK and overseas, including charities), these are deemed 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
- IP rights
- other forms of financial benefit
- donor control

(NB: The university may still accept income that falls under these exclusion criteria, but not as a philanthropic donation)

4.5 The university will only accept philanthropic donations from students if there is no personal or academic gain for any student from making a donation.

4.6 Where a potential donation may conflict with any or all of the above guidelines, the Director of Philanthropy and Alumni Engagement shall seek the consent in the first instance of GOG before accepting or rejecting the donation. In some instances, it may be necessary to pass the case to the University Executive Board or occasionally the Board of Governors for discussion and/or decision.

4.7 PAE will undertake a thorough due diligence exercise on those donations (or potential donations) that are brought to the attention of GOG, sharing the results accordingly.

4.8 Where, in the opinion of the Director of Philanthropy and Alumni Engagement, a potential donation is unusually restrictive, complex or demanding, s/he will refer it to the Gift Oversight Group for review before confirming acceptance or otherwise. This will also be the course of action for donations that may attract significant external interest. Decisions on how to proceed will be made in consultation.

4.9 The university will take all reasonable steps to ensure the ultimate source of a gift or bequest is legal and not derived directly or indirectly from illegal activity.

4.10 If the situation changes after a gift has been accepted, the university will review the original donation and donor against these guidelines and act accordingly.

4.11 The Director of Philanthropy and Alumni Engagement is able to accept donations that comply with this policy up to the level of £25,000 per annum. For all donations of £25,000 per annum or over, approval for acceptance will be sought from the Gift Oversight Group in the first instance.

4.12 Written records must be kept for **all** donations made to the University of Brighton. At a minimum, this must include the donor's name; their contact details; the amount and date of the gift; the specific allocation of the gift if there is one.

- 4.13 Gift agreements are required for **all** restricted donations of £1,000 or more (whether single or combined donations from the same donor) and any particularly complex donations of less than £1,000. The gift agreement will confirm the purpose of a donation and how the donor will be involved/recognised for their support. It will also confirm that the donation complies with this policy.
- 4.14 In the cases of institutional significant donations (e.g. **all** donations of £100,000 or more), a formal Gift Deed will be required.
- 4.15 Irrespective of the internal delegation procedures described in this document, it must be noted that the ultimate responsibility in respect of the acceptance or refusal of all donations rests with the trustees of the charity: the university's Board of Governors.

5. Types of donation and payment methods

5.1 Donations can be accepted via the following methods:

- Cash (for donations of less than £100)
- Cheques (made payable to 'The University of Brighton')
- Charity vouchers or cards
- Debit and credit cards*
- Standing orders
- Direct debits
- Bank transfer (UK and overseas)
- Online via the university website, crowdfunding platform or third party giving sites, e.g. JustGiving
- Donation invoices for organisations
- Payroll giving (either UoB staff donors or donors giving via their own employer's payroll giving scheme)
- Postal orders
- Bequests via legacies
- Shares, property, works of art**
- Gifts-in-kind (e.g. equipment, software, etc.)**

(* Donations made by debit/credit card are processed in line with PCI-DSS guidance)

(** Donations made in these forms involve specific administration and recording; further details can be obtained from the Director of Philanthropy and Alumni Engagement)

5.2 In the case of donors seeking to create an endowment fund in which only the interest generated is spent with the capital protected, a minimum donation of £25,000 is required.

6. Commitment to donors

6.1 To ensure that our activities merit the respect and trust of the general public, and that donors and prospective donors can have full confidence in the university and our causes, the following commitments are made to supporters.

- 6.2 All fundraising approaches made by (or made on behalf of) the University of Brighton will disclose the university's name and the purpose for which the funds are sought. Printed fundraising materials (however transmitted) will also include our address and/or other contact information.
- 6.3 All donors have the right to be informed of the university's mission, about the intentions to use any donated resources and of the university's capacity to use donations effectively for their intended purposes.
- 6.4 Donors and prospective donors are entitled to the following, promptly, upon request:
- the university's most recent annual report and financial statements;
 - confirmation of the University of Brighton's exempt charitable status;
 - confirmation as to whether any individual requesting funds on behalf of the University of Brighton is a volunteer, an employee or a hired fundraiser;
 - the membership details of boards and committees which govern the university.
- 6.5 All donor records maintained by the university will be kept confidential to the greatest extent possible provided by the law. Donors have the right to see their own record and to challenge its accuracy.
- 6.6 Any requests for donor anonymity will be actioned, to the extent provided by the law.
- 6.7 All donors will receive appropriate acknowledgment and recognition of their contribution to the university.
- 6.8 Donors and prospective donors will be treated with respect. In line with current/forthcoming data protection legislation and the new fundraising preference service, the University of Brighton will honour individual requests regarding:
- the provision (or withholding) of consent for any/all communications associated with the university's charitable activities;
 - the cessation of specific methods of approach (e.g. by telephone or via other channels) through updating individual communication preferences;
 - the request for deletion of contact details from mailing lists and databases.
- 6.9 All donors and prospective donors are free to ask questions when making a donation and to receive prompt, accurate and forthright answers.
- 6.10 Donors accept that the management and governance of projects and/or activities funded through philanthropy, rests solely with the University of Brighton. Donors will be provided with appropriate opportunities to continue engaging with the projects/activities they have funded/are funding. The scope for this engagement will be set out within a formal gift agreement document (for all donations of £1,000 plus and for lower value donations involving detailed restrictions).
- 6.11 We shall administer and disburse philanthropic income in line with sector best practice and with the university's [Financial Regulations](#) as outlined in the document *Our obligations as an exempt charity receiving philanthropic donations*
- 6.12 In cases where the agreed original purpose(s) of a donation made to the university can no longer be met, the university promises to use the funds in a manner

consistent with the wishes of the donor and the spirit in which the donation was given. Where practical this will be undertaken in consultation with the donor(s) or their representatives.

- 6.13 Prompt responses will be made to any complaints received. A named member of the Philanthropy and Alumni Engagement department will attempt to satisfy the complainant's concerns in the first instance. Any complainant that remains dissatisfied will be informed that they may appeal in writing to the Vice-Chancellor of the University of Brighton.

7. Fundraising code of conduct

- 7.1 Fundraising professionals have a responsibility to their donors, their employer and their causes. All those involved in raising funds for the University of Brighton will be guided by personal integrity and relationships with donors. At the heart of ethical fundraising practice lies the need to ensure the trust of donors is not violated. This requires openness, transparency and respect on the part of all those involved in fundraising activities in the name of the University of Brighton.

- 7.2 As such, the following principles exist to guide those involved in fundraising activities at the University of Brighton.

- 7.3 Requests for philanthropic donations made on behalf of the University of Brighton will be truthful; accurately describe the university's activities and the intended use of those funds; respect the dignity and privacy of those who benefit from the university's philanthropic activities.

- 7.4 Volunteers, employees and hired fundraisers who ask for or receive philanthropic funds on behalf of the University of Brighton shall:

- adhere to the provisions of this code;
- act with fairness, integrity and in accordance with all applicable laws;
- cease engagement with a prospective donor who identifies fundraising requests as harassment or undue pressure;
- disclose immediately to the university any actual or apparent conflict of interest;
- not accept donations for purposes that are inconsistent with the university's mission.

- 7.5 Paid fundraisers, whether staff or consultants, will be compensated by a salary, retainer or fee, and will not be paid finders' fees, commissions or other payments based on either the number of gifts received or the value of funds raised.

- 7.6 Compensation policies for fundraisers, including performance-based compensation practices (such as salary increases or bonuses) will be consistent with the university's policies and practices that apply to non-income generating colleagues.

- 7.7 The University of Brighton will never sell either its donor or alumni/friends' lists.

- 7.8 All representatives of the University of Brighton involved in fundraising activities will:

- adhere to all fundraising and data protection guidelines and legislations;

- follow all university codes relating to equal opportunities, harassment, bullying, health and safety, employment, grievance and public interest disclosure.
- observe all legal and ethical requirements as laid down by the university and other appropriate bodies involved with fundraising.

8. Disbursement of philanthropic income

8.1 After donations have been accepted, it falls to the Gift Oversight Group to ensure that all donations are disbursed appropriately and in line with donor wishes. Their responsibility in this activity is delegated from the University Executive Board.

8.2 To ensure institutional integrity, the disbursement of all donations must adhere to the following 3 key principles:

- Disbursement of donations will be undertaken to achieve the greatest benefit for the beneficiaries and to maximise the impact made possible by the donor's generosity.
- Restrictions placed upon donations, either by the donor themselves or by virtue of the solicitation method, will be upheld. Where appropriate, beneficiaries will be requested to provide further details about the planned use of donations in advance of funds being disbursed.
- All funds will be allocated to activities or for purposes that fall within the charitable aims of the university and that meet the public benefit test.

8.3 The Philanthropy and Alumni Engagement department is responsible for administering the disbursement of all donations made to the university and for reporting upon disbursements to the Gift Oversight Group periodically in accordance with the following guidelines:

- For new restricted funds, where the donor has prescribed the conditions and purpose of the fund (and the donation complies with the requirements for acceptance), full information about the fund shall be reported to the next meeting of the Gift Oversight Group (GOG) for ratification.
- Once the conditions and associated strategy of any restricted fund, whether new or existing, have been approved by GOG, the Director of Philanthropy and Alumni Engagement is authorised to disburse amounts of up to £5,000 (or such other amount as shall be agreed by GOG from time to time) without any further reference to GOG. Amounts in excess of the Director's authority must be approved by at least three members of the Group, of whom the Chair would normally be one.
- For all new and existing unrestricted funds, GOG will receive full information from the Philanthropy and Alumni Engagement department setting out the value of funds available for disbursement and will be asked to review proposals provided to the group as to the disbursement of these unrestricted funds in line with institutional priorities.

8.4 For all funds (restricted or unrestricted) currently held within the University of Brighton's accounts resulting from philanthropic donations, the following information will be provided to members of the GOG **once a year**:

- Name of fund
- Details of any conditions attached to each fund
- The current balance of each fund, including any associated gift aid
- Details of any disbursements made from each fund, broken down into previous, current and future commitments
- Name of UoB contact for each fund

(NB: this annual report will also be shared with the Finance Department for the purposes of producing the institution's audited accounts)

8.5 The Philanthropy and Alumni Engagement department administers a quarterly disbursement process. This process involves the university contact for each fund being advised as to the current level of the fund and invited to make a specific request for disbursement.

8.6 This request will need to provide:

- The amount requested
- The specific details on the planned use of the funds and how this meets the conditions
- A commitment to provide an annual report to GOG following the end of the financial year about the use of the funds disbursed and the impact of these funds (for non-prize funds only)
- Confirmation of the code into which funds will be disbursed

8.7 When considering the planned use of funds disbursed, GOG should bear in mind the questions outlined in the 'ethical guidelines for donation acceptance' section of this policy.

8.8 The outcomes of the quarterly disbursement request will be communicated as part of the next scheduled GOG meeting, including those disbursements that can be approved directly by the Director of Philanthropy and Alumni Engagement.

9. Policy review

9.1 This policy will be reviewed by PAE one year after approval by the University Executive Board and annually thereafter with the outcomes of such reviews being reported to UEB as appropriate.

Approved by UEB on 21st September 2017
First review due on 21st September 2018