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Department: Development & Alumni Relations Office

Post responsible: Director of Development

DEFINITIONS

'The University' is Bath Spa University.

'Donor' covers a person or persons who may give or give philanthropically to the University, and can include individuals, charitable trusts and foundations, corporate organisations and government agencies.

'Donation' covers all forms of philanthropic support received by the University, including philanthropic gifts, pledges, endowments, planned gifts, cultural gifts, marketing/public relations campaigns, in-kind gifts, pro-bono gifts or sponsorship funding from corporations, private donors, trusts and foundations.

EXECUTIVE SUMMARY

This ethical fundraising policy has been developed to guide anyone who raises funds for Bath Spa University, whether paid staff, consultants or volunteers. It is not a static document, and should be reviewed annually to ensure it is up to date with changing legislation and relevant codes of practice, and that it reflects the current culturally accepted norms. It should be noted that each donation must be considered individually, and the public relations implications of donations must be considered as much as the legal, moral and ethical implications, if fundraising is to succeed.

This policy outlines:

1. Donors' Rights
2. Fundraising Practices
3. Financial Accountability
4. Acceptance and Refusal of Donations
5. The Repayment of Donations
6. Data Protection and Prospect Research

There are three guiding principles to the ethics of fundraising:

- The University will accept donations on the clear understanding that the donor will have no influence over the academic freedom and independence of the University.
- The University's selection criteria for admissions are based exclusively on academic achievement and potential, and are fully independent of philanthropic support of the University.
- Donations will have no bearing or influence on the academic record of any past, current or future student of the University.

Everyone involved in any form of fundraising – whether paid staff in the Development and Alumni Relations Office or other departments, consultants or volunteers must comply with this policy. Although the primary purpose of this policy is to assist fundraisers in their work, it will also be available to donors as an expression of our openness and integrity with regards to fundraising should they request to see it.

1. DONORS' RIGHTS

- 1.1. There will be complete transparency in all our dealings with donors. Specifically:
 - All fundraising solicitations by or on behalf of the University will disclose the University's name and the purpose for which funds are requested.
 - Printed solicitations will include full contact details.
 - All verbal requests should be supported by a printed statement incorporating such information, where possible.
 - All questions raised will be answered by the University promptly and honestly.
- 1.2. Donors are entitled to the following upon request:
 - The most recent annual report and financial statements.
 - Confirmation of the charitable status of the University.
 - A copy of this policy.
- 1.3. Donors will be treated with respect. Specifically:
 - Donors will be given appropriate acknowledgement and recognition for all donations and sponsorships.
 - Every effort will be made to honour requests to limit the frequency or mode of solicitations.
 - Undue pressure will not be placed on donors, especially those who could be considered in vulnerable circumstances or lacking capacity. (see Appendix III)
- 1.4. Donors are entitled to know, upon request, whether an individual soliciting funds on behalf of the University is a volunteer, employee or consultant.
- 1.5. Donors will always 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 or taxable income.
- 1.6. Donors are normally entitled to confidentiality on the level of their donation or anonymity that they have made a donation, if they request it. The exception to this condition will be if the University decides it is not in its best interest for details of a donation to remain anonymous, or if it is legally required to disclose information relating to the donation.
- 1.7. The donor's rights to confidentiality during negotiations relating to a donation will be respected. Donors should only be acknowledged publicly (e.g. outside the immediate involved staff or volunteers) once contracts or an exchange of letters have been signed and agreed. All publicity should be approved by the donor.
- 1.8. The privacy of donors will be respected. The University will comply with the Data Protection Act 1998 when processing personal information relating to donors. Any donor records that are maintained by the University will be kept confidential to the greatest extent possible and secure. Donors have the right to see their own record and to challenge its accuracy. Where a donor is represented by a third party, the University will need permission from the donor to release their records to any such third party.
- 1.9. The University will normally respond within 3 working days to any enquiries by a donor about any matter addressed in this policy. Donations will normally be acknowledged within 3 working days.

- 1.10. Any complaints that are concerned with a breach of this Ethical Fundraising Policy and Donors' Charter or the Institute of Fundraising's Codes of Fundraising Practice will be addressed through the University's Complaints Policy.

2. FUNDRAISING PRACTICES

- 2.1. Volunteers, employees or consultants who solicit or receive donations on behalf of the University shall:
 - Adhere to the provisions of this policy and its appendices
 - Act with fairness, integrity, and in accordance with all applicable laws
 - Adhere to the provisions of applicable professional codes of ethics and standards of practice, including those published by the Institute of Fundraising and the Council for Advancement and Support of Education (CASE).
 - Disclose immediately to the University any actual or apparent conflict of interest
 - Seek approval for projects for which donations are sought from the relevant Dean(s) of School.
- 2.2. Fundraising solicitations on behalf of the University will be truthful and accurately describe the University's activities and the intended use of the donated funds.
- 2.3. Fundraising employees will be remunerated by a salary; fundraising consultants (where deemed appropriate) will be compensated with a retainer or fee. They will not be paid finders' fees or commission.
- 2.4. The University will not sell its donor list. Data will only be passed to third parties when necessary for administration or when required by law.
- 2.5. There may be occasions where an individual is offered a gift from a supporter, well-wisher or supplier. Gifts can only be accepted in accordance with the University's Anti-Fraud and Anti-Corruption Strategy.
- 2.6. Normally sponsorship negotiations will be handled by the Director of Development in line with the University's Sponsorship Policy.

3. FINANCIAL ACCOUNTABILITY

- 3.1. The University is an exempt charity under the terms of the Charities Act 2011. Its charitable activities are monitored by the Higher Education Funding Council for England (HEFCE), which is its principal regulator. The Governors of the University are its charitable trustees. The manner in which the University delivers its charitable purpose within the context of the Charity Commissions guidance on public benefit is outlined in the financial statements for 2011 and subsequent years. The University has no linked charities.
- 3.2. All donations will be used to support the vision and the strategy of the University.

- 3.3. All restricted or designated 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 their legal designate(s). If the donor is deceased or not legally competent, 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.
- 3.4. The University will freely disclose all donations to the tax authorities, if appropriate.
- 3.5. The Development and Alumni Relations Office will produce a factual and accurate annual report incorporating the total amount of philanthropic income and expenditure, and the percentage of income spent on raising funds.
- 3.6. All financial affairs will be conducted in a responsible manner.

4. ACCEPTANCE AND REFUSAL OF DONATIONS

- 4.1. Irrespective of any delegation, the ultimate responsibility ensuring donations are accepted or declined in accordance with this policy resides with the Chief Operating Officer.
- 4.2. The Director of Development will refer any donation seen as contentious or potentially problematic in terms of ethics or public relations to the Vice-Chancellor's Advisory Group. If a consensus cannot be reached, the donation will be referred to the Board of Governors. The University will only decline a donation if it is felt by the Governors or their delegated representatives that the donation:
 - Would impair the University in fulfilling its responsibilities and objectives.
 - Is at odds with the objectives of the University, its agreed policies or beneficiaries.
 - Would lead to a demonstrable net decline in the assets of the University (potentially through bad PR associated with the donation or the donor).
 - Consists of goods, property or services which the University cannot lawfully use, convert, sell or exchange in direct support of its charitable aims.
 - Is dependent on the fulfilment of unacceptable conditions applied by the donor.
- 4.3. Where these circumstances do not apply, or where no appropriate benefit is given to a donor in return for their donation, the University's interests are best served by raising as much money as possible and it will accept a donation from whatever source. To assist those involved in fundraising see Appendix I: Fundraising Decisions and Donor Categories.
- 4.4. The University will usually accept money from any charitable trust registered with the Charity Commission or its equivalent in other countries for the purposes of public benefit, irrespective of its origins. An exception to this condition would arise if unacceptable conditions were requested.

- 4.5. A donation is liable to be refused if there is published or credible evidence that the proposed donation will be made from a source that arises in whole or in part from an activity that:
 - was illegal;
 - evaded taxation or involved fraud;
 - violated international conventions that bear on human rights;
 - limited freedom of enquiry, or encroached on academic freedom; or
 - compromised academic integrity or suppressed or falsified academic research.
- 4.6. Unproven allegations or rumours under any of the above points will not themselves prevent acceptance of a particular donation, but care will be taken in accepting any donation, or continuing negotiations towards a possible donation, where there is a significant potential damage to the University's reputation.
- 4.7. Where the University offers to name a building, academic post or other aspect of its activities in recognition of a particular donation, the University reserves the right to withdraw such named recognition in the future, where it subsequently transpires that the source of funding arose in whole or in part from any activity listed under point 4.5.
- 4.8. A truly anonymous donation, where the University only deals with an intermediary who will not identify the donor, even to the Vice-Chancellor, on a strictly confidential basis, will not be accepted.
- 4.9. Any donation over £500,000 in value, either singly or cumulatively, will automatically be referred to the Vice-Chancellor's Advisory Group. If the Vice-Chancellor's Advisory Group expresses any concern or doubt, the matter will be referred to the Governors.
- 4.10. Any donation over £100,000 but under £500,000 will be reviewed, and a decision on the acceptance of the donation made by the Director of Development and the Vice-Chancellor's Advisory Group.
- 4.11. Any donation, of whatever value, which has an associated naming opportunity, must be referred for approval to the Vice-Chancellor's Advisory Group and Governors.
- 4.12. All donations will be considered by the Director of Development against these ethical guidelines and may be referred for further scrutiny if there is perceived to be conflict with any of the principles set out above.
- 4.13. Where concerns are raised under these ethical guidelines about a donation that has already been accepted by the University, a similar process of consideration and scrutiny will be followed to that set out above in order to determine whether it is appropriate to retain the donation, to return it to the donor or to take any other action in relation to the donation.
- 4.14. If the proposed donation is a cash donation of more than £10,000 by a single transaction then the donation must be refused.

5. THE REPAYMENT OF DONATIONS

- 5.1. 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; or
 - the law specifically provides for the donation to be returned
- 5.2. Where a change in circumstances prompts a donor or, in the case of incapacity their legally-appointed representative, to request the repayment of part or all of a donation, the final decision to repay the donation shall rest with the Vice-Chancellor's Advisory Group.

6. DATA PROTECTION AND PROSPECT RESEARCH

- 6.1. The Development and Alumni Relations Office will ensure it is in compliance with data protection legislation, including the Data Protection Act 1998 and the Privacy and Electronic Communications Regulations 2003 as either may from time to time be updated, so that it does not obtain, process, store, sell or pass on data unlawfully.
- 6.2. The Development and Alumni Relations Office will at all times be aware of the sensitivity of information gathered and held on alumni, other individuals and organisations. This will aid our compliance with data protection legislation and ensure that information acquired via all channels, particularly information not in the public domain, is treated with the utmost respect.
- 6.3. When using external agencies or when data may be shared with a third party, for example mailing houses and wealth screening agencies, the Development and Alumni Relations Office will ensure that all issues, such as data ownership, fitness for use and confidentiality, are governed by a legally binding contract. The data will always be encrypted to ensure it is transferred securely.
- 6.4. When conducting prospect research, the Development and Alumni Relations Office 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 their purpose and their identity when seeking information;
 - understand the strengths and weaknesses of the sources of information used; and
 - ensure that research when presented is accurate and relevant to its purpose.

The University's full Data Protection Policy is available here - <http://www.bathspa.ac.uk/regulations/data-protection>

APPENDIX I: FUNDRAISING DECISIONS AND DONOR CATEGORIES

The University recognises that it can be difficult to determine whether the activities of a donor could conflict with the vision and strategy of the University. In all cases, the decision whether or not to accept a donation by the University's Governors or delegated staff will be made in good faith and on the basis of information obtained following reasonable enquiries made on or on behalf of the University's Governors or delegated staff as appropriate. The University recognises that exhaustive research into potential donors is not always feasible or possible. It also recognises that donations from individuals or grant-making trusts may have originated from investments or proceeds from companies who do not share the University's ethical beliefs, but the immediate donor may do so.

Factors to be taken into account when making decisions include:

- Whether or not the source of the donation is sufficiently identified
- Whether or not the activities of the donor are contrary to the charitable objectives / core purposes of the University or its agreed policies
- Whether or not the donation would, or would be seen to create an unacceptable conflict of interest
- Whether or not the donation would, or would be seen to call into question the independence of the University
- Whether or not the donation would, or would be seen to suppress or falsify academic research
- Whether the cost to the University in accepting a donation will be greater than the value of the donation itself (through a demonstrable net decline in the asset base of the University)
- Whether or not the offered donation is dependent upon the University first spending its own money or using its resources in order to facilitate the execution of the offered donation
- Whether or not the donation is dependent on the fulfilment of conditions applied by the donor

DONOR CATEGORIES

Deciding whether or not to accept a donation may not be a straightforward process, so the following outline list of categories is intended to assist fundraisers (whether voluntary or paid) when soliciting donations.

Grant-Making Trusts and the National Lottery

The University will accept money from grant-making trusts and National Lottery bodies as the purpose of such bodies is to benefit society. This will be regardless of the origin of the founders' wealth.

Individuals

It is not usually possible to verify the origin of a donation from an individual. Where the origin of the donation cannot be verified, the possible public relations implications of such donations will need to be considered very carefully. The University will accept money from individuals whenever possible provided they meet the criteria in this policy.

Companies

The University will seek financial support from companies providing they meet the criteria in this policy and that the relationship will be profitable. The University will consider the company as an individual entity, and will not consider subsidiaries or parent companies that may be involved in the research or any resulting contract unless any such associated companies have also made a donation or are being approached in order to make a donation. Sales promotions with such companies will only be entered into under the strictest possible supervision, and promotions which encourage increased purchases of (potentially) harmful products should be avoided.

The University will not normally accept donations from companies involved in or having connections with the following areas of business as they are likely to conflict with the aims of the University.

- Pornography
- Child labour
- Slavery
- Illegal activity
- Companies whose main purpose is testing products on animals
- Sex industry
- ~~Tobacco and related products~~
- Gambling (whether international, national or local)

In addition, the University will not accept donations from companies or individuals in positions of authority based in countries with poor human rights records where there are no acceptable policies in place for the improvement of human rights.

Companies involved in areas of business that may have ethical and/or adverse public relations implications should be researched and considered carefully before donations are accepted. An illustrative list of businesses/areas that should be considered carefully is set out below, the list is not exhaustive and fundraisers should always take ethical/public relations implications into account when approaching donors.

- Alcohol
- Cigarettes and Nicotine related products
- Armaments – particularly exporting
- Banks owed significant sums by third world countries
- Companies which are in violation of international codes on the marketing of pharmaceutical or breast milk products
- Companies whose operations are deemed detrimental to the environment

It is important to note that the aims of many donors may not be in conflict with those of the University, but the resulting PR may have an adverse effect on other supporters and donors. All donations that may have a high level of PR impact (such as corporate donations) should therefore be considered on an individual basis. The University's reputation is paramount and must not be damaged by fundraising.

APPENDIX II: BENEFITS WHICH WILL NOT BE OFFERED TO DONORS

This list is not exhaustive, and any benefit outside of it will need to be agreed by the Vice-Chancellor's Advisory Group.

1. Honorary Doctorates / any academic qualification. Donors to the University will not be excluded from receiving qualifications (whether honorary or otherwise) but the donation will have no bearing on the process the individual will have to undertake in order to receive a qualification. All Honorary Doctorates / any academic qualifications will adhere to the University's procedure for making Honorary Awards (agreed by the Academic Board in 2008).
2. Preferential treatment for themselves or somebody they know with regards to future, current or past academic study at the University.
3. Input into the content or delivery of existing courses at the University (this does not include research activity or new courses that the donor may be funding).
4. Use of the University's intellectual property to promote their business or activities without express permission of the University.

APPENDIX III: DONORS DEEMED IN VULNERABLE CIRCUMSTANCES AND/OR LACKING CAPACITY

The University adheres to the Institute of Fundraising's guidance round responding to the needs of people in vulnerable circumstances and helping donors make informed choices. The paper, 'Treating Donors Fairly' can be found at: <http://www.institute-of-fundraising.org.uk/library/treatingdonorsfairly/>

1. The IoF's Code of Practice states in the General Principles at 1.2 e) 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.
2. Everyone should be given the opportunity to donate if they are able to do so and should not be treated differently based on a personal characteristic (such as disability or age). However, care will be taken to ascertain that the potential donor has a) the support they require if they are in vulnerable circumstances, or b) if they are lacking capacity to the extent that they are incapable of making a fully-informed decision.
3. If a fundraiser reasonably believes that an individual is unable to make an informed decision, then they should not solicit or accept a donation from that person. If they are in any doubt, the matter should be referred to the Director of Development. If the donation has already been made, and at the time of donating the individual lacked capacity (and the University receives evidence of this) the University will consider returning that donation.
4. Definitions
 - Definition of lack of capacity
 - Under the Mental Capacity Act 2005, a person lacks capacity in relation to a particular matter if at the material time he or she is unable to make a decision for himself or herself in relation to the matter because of an impairment of, or a disturbance in the functioning of, the mind or brain. See: www.gov.uk/government/publications/mental-capacity-code-of-practice
 - Definition of vulnerable circumstance
 - Here, the context and circumstance for the donor at the time of making the decision to give is relevant. For example, a recently bereaved person may be in a vulnerable circumstance at the time but this may change over time. At the time of bereavement they could still have the capacity but may need additional support to help them make their decision. Additional support may include: delaying acceptance of the gift to give the donor further time to consider their donation; including a 'cooling off' period if the donor changes his or her mind; or suggesting the donor gets advice from family/friends. If fundraisers are in any doubt, the matter should be referred to the Director of Development.