



Nottingham Trent  
University

Communications, Admissions, Marketing and Student  
Recruitment (CAMS)

## **Policy on the Acceptance of Philanthropic Donations**

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Version: 1

Date: January 2022

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## 1. Scope

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NTU has a number of generous donors who make regular donations to support the University's Strategy. Such donations are used to support a number of key areas including: to mitigate against student hardship; to support activities to improve the student experience, outreach services, and research; and to enhance campus buildings and equipment. As part of the University's commitment to provide continually more support for its students, it wishes to have the ability to provide funds to students from poorer households in order to remove financial barriers to their participation in life-changing opportunities during their time at NTU and which they may otherwise not be able to take part in. This is the purpose of the Opportunity Fund, an endowment which will bring together philanthropic contributions, various grants, and endowment income into one integrated fund that is large enough to make a financial commitment to every less advantaged student at NTU at the commencement of their studies.

The policy sets out:

- The principles that Nottingham Trent University ["the University"] will follow when seeking and accepting gifts from individuals, charitable trusts and corporate bodies in order to meet the objectives set out above; and
- The management and distribution of gifts received. The types of gifts covered by this Policy are shown at Appendix A.

## 2. Context

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The University seeks philanthropic gifts from donors as a legitimate element of its overall funding. Philanthropic support enables the University to invest further in the key areas noted above.

This policy sets out the principles to be applied by the University in the pursuance and validation of potential donations in order to safeguard its reputation and integrity. It establishes thresholds and procedures for due diligence, provides the criteria that the University will use in deciding whether or not to solicit or accept a donation, and includes the guidelines to be invoked in the case of potentially controversial gifts or donors.

The Policy sets out the relationship between Communications, Admissions, Marketing and Student Recruitment (CAMS), who lead on this Policy, and other University schools and departments regarding their involvement in the solicitation or negotiation of gifts.

The Policy applies to all colleagues, and to others associated with the University in a formal but unpaid capacity who are involved in fundraising for the University. The University will ensure that colleagues and others affected are aware of this Policy and provide support and guidance on its implementation.

This Policy should be read in conjunction with the University's other policies that might have a bearing on the consideration and acceptance of gifts:

- Anti-bribery Policy;
- Anti-facilitation of Tax Evasion Policy;

- Conflict of Interest Policy and Procedure;
- Counter-fraud Policy;
- Gifts and Hospitality Policy; and
- Intellectual Property Policy.

### **3. Regulation and Governance**

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The University is registered with the Fundraising Regulator and has committed to good fundraising practice. The University adheres to the *Fundraising Code of Practice* and follows best practice as set out by the Institute of Fundraising (IoF) and the Council for the Advancement and Support of Education (CASE). This Policy has been drawn up in the context of the statutory and good practice guidance that these organisations prescribe.

Nottingham Trent University is an exempt charity under the terms of the Charities Act 1993 and its principal regulatory body is the Office for Students.

The University's Board of Governors are the University's charitable trustees and in accordance with the requirements of the Fundraising Regulator will receive regular reports on fundraising activity. Such reports will include oversight of those donors and potential donors on whom due diligence work has been undertaken to facilitate the management of risk associated with philanthropic donations, particularly those considered to be of significant value.

The Charity Commission states that "Trustees must carry out due diligence checks on donors, beneficiaries and local partners and can also monitor end use of funds." This process may be delegated to a committee or sub-committee. At NTU, it is suggested that the Strategy, Policy, Finance and Resources Committee would offer the appropriate oversight based on reporting from CAMS.

### **4. Offer and Acceptance of Gifts**

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The University is committed to conducting itself with the highest standards of probity and good conduct in carrying out its academic and business functions. It is important both for donors and for the University that the reputations of all parties be protected from any real or perceived impropriety or a conflict of interest arising from the relationship that is established through the offer and acceptance of a gift. All gift solicitations should be referred to the Philanthropy team in order to ensure that the appropriate process is followed. The team can be contacted via email at [giving@ntu.ac.uk](mailto:giving@ntu.ac.uk).

Gifts will generally be accepted where:

- They relate to existing fundraising priorities including the Opportunity Fund and/or are unrestricted in nature; or
- The full cost of any new fundraising project suggested by the donor is identified and agreed;
- The project is approved by the Director of CAMS, COO and Registrar or the Vice-Chancellor as being in accordance with the University's Strategy; and

- The project involves no, or minimal, net cost to the University in terms of financial commitment at the end of the period covered by the gift.

Gifts will not be accepted, regardless of value, where there is evidence that the proposed gift or any of its terms will fail to satisfy the principles stated below:

- Evade taxation or involved fraud;
- Violate international conventions in, or involved institutional violation of, human rights, including exploitation of the workforce;
- Encroach on academic freedom;
- Illegal and/or involved money laundering;
- Caused explicit environmental damage;
- Involved the manufacture, and/or sale, of armaments;
- Was discriminatory in any shape or form;
- Involve the manufacture and/or sale of tobacco products;
- Damage the reputation of the University;
- Create conflicts of interest that cannot be effectively managed; or
- Harm the University's relationship with other donors, partners, potential students, or research supporters.

The University will use all reasonable endeavours to clarify the source of funding and where any concern is identified then potential gifts will be referred to the Vice Chancellor and/or Board of Governors in line with the University's *Scheme of Delegation* an extract of which is set out below.

The ***Scheme of Delegation for the Acceptance of Gifts*** is as follows:

	<b>Level of Authority</b>
Board of Governors	Unlimited
Vice-Chancellor	Up to £10m
Deputy Vice-Chancellor(s) Chief Operating Officer and Registrar	Up to £5m
Director of Marketing and Communications, Director of Finance	Up to £1m
Head of Philanthropy	Up to £100k

The University does not accept gifts from current or prospective students to ensure impartiality in academic matters and to avoid any accusations of bias or favouritism.

## 5. Due Diligence

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The University seeks to ensure that gifts are only accepted where it is reasonable to expect that such gifts meet the legitimate aims and charitable purposes of the University and reserves the right to undertake a validation process (due diligence) on the behalf of the Board of Governors of all potential gifts to ensure that acceptance would not compromise the reputation of the University and/or its existing donors.

Notwithstanding the earlier provision about using reasonable endeavours, the level of due diligence will be commensurate with the value of the potential gift; in-depth (Level 2) due diligence will only be completed for these donors where a potential first gift exceeds £50,000 or where total lifetime giving will exceed £50,000 with a next gift. For potential gifts of a lesser value donors will be subject to Level 1 Due Diligence performed at the commencement of a cultivation relationship with a potential donor.

### Level 1 Due Diligence

Level 1 Due Diligence consists of a search for information in the public domain for news items that indicate impropriety or criminal activity or criminal activity, or for any indication of wealth from those sources that are included in Section 4 of this Policy.

### Level 2 Due Diligence

Level 2 Due Diligence will be undertaken either internally by CAMS or by third party companies on behalf of the Trustees. This is in accordance with established best practice and will be a review that assesses the acceptability of a proposed gift against the following criteria:

- That the ultimate source of funds is clear;
- That the gift is not inconsistent with the University's Strategy and values and its charitable status;
- That the gift will not give rise to any material conflicts of interest;
- That there are no financial, legal, ethical, or reputational obstacles to acceptance of the gift as outlined in this Policy;
- That the gift is consistent with the University's stated academic purposes and priorities;
- That the gift does not inhibit, unreasonably, the University from seeking gifts from other donors;
- The gift does not involve unlawful discrimination based upon race, religion, sex, age, national origin, colour, disability, orientation, or upon any other basis prohibited by law;
- The gift does not require the University to provide special consideration for admission to the University for the donor or designate nor their academic outcomes;
- The gift does not require the University to deviate from its normal hiring, promotion, and contracting procedures; and
- That the gift is consistent with all other aspects of this Policy.

Due diligence reports are prepared from information that is publicly available to the University and which can be used to examine the background, financial position, business operations and contractual obligations of a potential donor.

The legal rights of potential donors are taken into consideration as part of any due diligence undertaken in assessing the acceptability of a proposed gift. In this regard a clear distinction will be drawn between rumour or speculation and matters of confirmed fact or legal finding. This will be balanced against the University's need to consider the reputational risks that could be incurred through public perception of any particular donor.

The results of due diligence reporting will form part of regular reporting where a risk rating of Green, Amber or Red will be assigned as follows:

Risk Level	Category
Green	No circumstances have arisen that would prohibit acceptance of the gift
Amber	Circumstances/facts have arisen that require consideration
Red	There are a number of significant findings that would potentially impact the University's reputation

## Potential Gifts from Charitable Trusts and Foundations

Where gifts are received from a foundation or other charitable entity, the University will use all reasonable endeavours to ensure that the funding sources for that charity are consistent with this Policy.

Where charities send audited accounts to, and have full and current approved status with, a recognised national regulatory body for charities, further due diligence on the sources of funding of those charities will not typically be undertaken, unless there are reasons to believe that reputational risk may be involved. Those reasons may include, for example, any current or recent investigation into the activities of the charity by the relevant regulatory body. At the time of approval of this policy, such recognised regulatory bodies include:

- The Charity Commission for England and Wales;
- The Office of the Scottish Charity Regulator;
- The Charity Commission for Northern Ireland;
- The Inland Revenue Service in the US through its 501(c)(3) regulations for tax-exempt non-profit corporations or associations; and
- The Canada Revenue Agency.

This list will be updated on a regular basis as similarly transparent regulatory bodies are created in other countries. For all other charities due diligence will be undertaken, including requests where appropriate for audited accounts confirming the identity of donors to the charity, and this information will be included in reports and materials collated for due diligence procedures.

## 6. Gift Acceptance

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Ultimate responsibility for the acceptance of gifts falls to the University's Board of Governors as the charity's Trustees, even where authority is delegated for the acceptance of gifts.

Where due diligence has resulted in either a red or amber flag then this will be escalated to the COO and Registrar for consideration. In the event that risks remain which cannot be mitigated further, the matter will be escalated to the Audit and Risk Management Committee of the University for consideration and a decision on whether to accept such a gift.

Where due diligence has resulted in a green-flag then sign-off for acceptance will be in accordance with the Scheme of Delegation for the Acceptance of Gifts.

## 7. Returning gifts

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In exceptional circumstances, for example in the light of new events or information arising, the acceptance of a gift may be reconsidered.

The University will not normally return a gift which has been accepted in good faith in compliance with this Policy and the circumstances in which it may do so are extremely limited by law (see [iof-acceptance-refusal-and-return-a-practical-guide-to-dealing-with-donations-\(5\).pdf](#) (ciof.org.uk))

Exceptionally, subsequent events or the subsequent availability of additional information may give rise to the need to review a previous decision to accept a gift. A decision to return a gift shall be managed in line with the Scheme of Delegation for the Acceptance of Gifts.

## 8. Gift Management

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All gifts received by the University should be administered by CAMS and included in gift reporting. All gifts to the University therefore need to be recorded in the University's alumni and donor relations database which is managed by CAMS. The following principles apply:

- i. In circumstances where donations are solicited by non-CAMS colleagues, those colleagues should inform the Head of Philanthropy about the intended size, breakdown, schedule and purpose of the gift. Where relevant, CAMS together with Legal Services can help in producing a formal Gift Agreement or Memorandum of Understanding. Ideally conversations should begin in advance of a gift being secured so that the appropriate parts of this Policy are adhered to; and
- ii. A donor's right to remain anonymous in terms of external donor recognition will be respected, but full details will be recorded on the University's database; and
- iii. Unless explicitly stated otherwise by the donor, donations of less than £10,000 are credited to the University's 'Unrestricted Fund' ("the Fund") to be utilised in accordance with the aims of the Fund at the point of donation; and
- iv. Gift Aid is claimed from Her Majesty's Revenue and Customs (HMRC) electronically, wherever the gift is eligible, and a valid Gift Aid Declaration is held.

## 9. Fundraising Practices

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It is essential that fundraising is professionally co-ordinated across the University to ensure that such activity is carried out effectively and in accordance with the terms of this Policy, including appropriate standards of stewardship, accounting, auditing, and internal and external reporting.

Fundraising solicitations on behalf of or by the University will:

- a) Be truthful; and
- b) Accurately describe the University's activities and the intended use of donated funds; and
- c) Respect the dignity and privacy of those who benefit from the University's activities.

Volunteers, employees, and others who solicit or receive gifts on behalf of the University shall receive the appropriate training and guidance and should:

- a) Adhere to the provisions of this Policy; and
- b) Act with fairness, integrity, and in accordance with all applicable laws; and
- c) Adhere to the provisions of applicable professional codes of ethics, standards of practice, etc.; and
- d) Cease solicitation of a prospective donor who identifies solicitation as harassment or undue pressure; and
- e) Disclose immediately to the University any actual or apparent conflict of interest; and
- f) Not accept donations for purposes that are inconsistent with the University's objectives.

For the avoidance of doubt all paid/salaried fundraisers, whether colleagues or consultants, will be compensated by a salary, retainer, or fee, and will not be paid finder's fees, commissions or other payments based on either the number of gifts received, or the value of funds raised.

Compensation and reward policies for fundraisers, including performance-based compensation and reward practices (such as salary increases or bonuses), will be consistent with the University's Appraisal process.

The University will never sell donor or alumni lists. The University will publish a list of donor names at the end of each financial year, where the donor has not opted out.

The Board of Governors will be informed via an annual report of the number, type and disposition of complaints received from donors or prospective donors about matters that are addressed in this Policy.

## 10. Financial Accountability

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The University's financial management of gifts will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and legal requirements including:

- i. All donations will be used to support the advancement and strategic goals of the University; and
- ii. All restricted or designated donations will be used for the purposes for which they are given; and
- iii. If necessary, due to priority projects, programme or organisational changes, alternative uses will be discussed where possible with the donor or their legal representative; and
- iv. If the donor is deceased or legally incompetent, and the University is unable to contact a legal representative, then the donation will be used in a manner that is as consistent as possible with the donor's original intent.

## Appendix A - Types of Gifts

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The University accepts gifts as follows:

### 1. Single Gifts

Single gifts are gifts made in a single instalment by cash, cheque, charity voucher (or cheque), Direct Debit, BACS, or Banker's Draft. Cash gifts will only be accepted up to a value of £500.

### 2. Recurring Gifts

Recurring gifts are made in regular instalments (monthly, quarterly, or annually) perpetually. Recurring Gifts are collected by Direct Debit or via Charity Foundations (CAF etc). The donor can cancel recurring gifts at any time.

### 3. Pledges

Pledges are an unenforceable commitment to pay a gift in instalments over a period of time. Instalments may be paid by cheque, Direct Debit, BACS or Banker's Draft.

### 4. Letters of Intent for a Legacy Gift

A Letter of Intent is intended for planning purposes only and relates to an intended bequest in a will. A Letter of Intent is revocable at any time.

### 5. Legacies and Bequests

The University can accept legacies and bequests made by individuals in their wills, where either all or part of their estate is set aside for Nottingham Trent University. The University will work closely with the executors or families of the donor to establish the terms on which any such gifts, and any income deriving from such gifts, are held.

### 6. Shares, Real Estate, Articles of Value

The University can accept transfers of shares, an outright gift of an unencumbered property, and gifts of jewellery, artwork, books, antiques, or collections as either a lifetime or legacy gift. Any legal expenses, valuation costs or transport charges pertaining to the transfer of such items to the University will normally be the responsibility of the donor or executor.

Unless otherwise agreed with the donor, the University reserves the right to dispose of shares or property at a time to be decided by the University. Unless otherwise agreed with the donor, articles of value or collections are accepted on the understanding that the University would have full authority to use, lend, exhibit, donate or sell the property.

The University wishes to ensure that gifts which it receives can be used in a manner that is both appropriate within the context of the University and reflects the objectives of the donor. Certain types of gifts may only be accepted following advice and approval from specialists in Schools or Units. This will be co-ordinated by CAMS. For example, acceptance of donations of books or artefacts (often through bequests) will be subject among other things to available space, appropriate storage conditions, resources for cataloguing and displaying of items and relevance of the subject matter. Donations of equipment to the University will be subject to similar constraints and considerations such as agreement as to the transportation of items.

## **7. Gifts in Kind**

The University will consider Gifts in Kind on a case-by-case basis.