

## GIFT ACCEPTANCE POLICY

### 1. Policy Statement / Purpose

Durham University actively seeks donations, sponsorship and legacy gifts from individuals, trusts and foundations, commercial and charitable organisations, and government-related funding streams from all around the world to support research, educational and outreach activities consistent with the charitable mission of the University.

The University has an obligation to its trustees (Council), staff, students and wider stakeholders to ensure that funding opportunities are pursued enthusiastically to support the advancement of the institution. It also has a responsibility to ensure that the sources of donations – and the way in which donations are received and processed – do not in any way undermine the University’s or donors’ reputation or create any unacceptable conflicts of interest. In addition, funding will not be welcomed into the University where its acceptance would inhibit the ability of the institution to pursue free and independent academic enquiry.

The Privacy Notice outlines the University’s commitment to protect the personal information of donors and transparency of information held: [www.dur.ac.uk/ig/dp/pnalbumni/](http://www.dur.ac.uk/ig/dp/pnalbumni/)

### 2. Scope

This Policy covers the solicitation, acceptance, recording, oversight, and reporting requirements related to all gifts received into the University system – whether it is conducted by trustees, any staff members, students, volunteers, or third-party partner organisations with affiliated charitable status. The University recognises the guidance for fundraising published by the Council for the Advancement and Support of Education (CASE) and the Fundraising Regulator.

### 3. Responsibilities

The University is an educational charitable and chartered corporation, exempt from registration with the Charity Commission under the terms of the Charities Act 2011. The University’s Royal Charter number is RC000650. Under the Charities Act 2006, the Office for Students as principal regulator, is charged with ensuring that universities fulfil their obligations under Charity law. The University’s Exempt Charity registration number is X6507.

The Council, the governing body of the University, is its Trustee Board. Members of Council therefore have ultimate responsibility for oversight of all gifts incoming to the University.

The oversight of this Policy is delegated to the University Executive Committee (UEC). The COO is responsible for providing regular updates to Council with regard to gifts accepted under this Policy. The day to day management of this Policy is delegated to the Director of the Development and Alumni Relations Office (DARO).

Research and Innovation Services will discuss with DARO the implications of accepting funding from a particular donor to be considered through the due diligence process outlined below.

## 4. Policy, Procedures and Enforcement

### General Principles and Processes for Gift Acceptance

DARO will take reasonable measures to ensure the University is aware of the source of funding for gifts. DARO will undertake due diligence in line with this policy to ensure that gifts are for purposes consistent with the University's mission to pursue academic inquiry, and provide an academic service, and that no unacceptable legal or reputational issues are raised by their acceptance.

For gifts and pledges totalling under £10,000 (or equivalent), the following will apply:

In order to comply with anti-bribery, anti-money laundering and financial accounting procedures, all gifts of any size received into the University must be recorded onto the University's central donor database Raiser's Edge (RE) which is maintained by DARO. This includes donations received by departments, institutes, schools, colleges, student organisations within the University framework, and other strategic units. Where possible, and always with donor consent, Gift Aid or other matching-funds will be sought to enhance the value of the gift;

Donors will be provided with appropriate acknowledgement and receipt of their gift, and provided with updates as to the progress enabled as a result of their gift, in a timely manner – either personally or via online updates to which donors can be directed;

Gifts will be directed as per donor instructions, or as mutually agreed in a 'Gift Agreement'. In cases where a gift with agreed restrictions has been received by the University but cannot – for legal or institutional reasons – continue to be directed to its original destination, the University will seek to use the funds in a manner which corresponds with the donor's original intention. Wherever possible, this will be done in consultation with the donor, or the donor's representatives, by written notification of the University;

Donors' right to remain anonymous will be respected completely but full details related to their gift will be recorded onto RE. Where a donation is made anonymously, DARO will seek to confirm the identity of the donor(s), where this is not possible, and funds cannot reasonably be returned, the gift will normally be allocated to a scholarship or hardship fund;

For the avoidance of doubt, this Policy recognises specifically that legitimate giving vehicles (such as Charities Aid Foundation/Charities Aid Foundation USA and Donor Advised Funds) are often used to protect donors' identities and gifts from these intermediary organisations who have completed satisfactory due diligence will be accepted on that basis;

Where it is thought that a donor is seeking to assert uninvited or undue influence via a benefaction, or where a donation could cause an unacceptable conflict of interest for the University, or could pose a planned or unplanned financial liability, this will be referred to the Donations Advisory Panel (see Section 6 'Scheme of Delegation') for consideration and the gift may be refused.

For gifts and pledges totalling over £10,000 (or equivalent) but under £100,000 (or equivalent) all of the above will remain applicable in addition to the following:

The University will require either:

- a) a Gift Agreement to be completed with the donor; or

- b) clear written instructions from the donor or their representatives with regard to the scope, direction and purpose of their gift which the University will accept formally in writing.

If donations are sent before a Gift Agreement is signed by an authorised University Representative, or written notification has been finalised in some other acceptable form, this does not constitute the University's final acceptance of a donation and it may be returned subject to the adjacent terms.

For gifts and pledges of £100,000 or more, enhanced due diligence checks will be completed. Due diligence reports will be referred for decision as per the Scheme of Delegation (see Section 6) and where a gift is found to be unacceptable for reasons outlined in this Policy the gift may be refused or the terms revised.

Generally, unless there is cause for further investigation, charitable entities registered with a recognised regulatory body will be exempt from proactive or enhanced due diligence screening. 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 United States, principally related to 501(C)3 organisations
- The Canada Revenue Agency

### **Legacies and bequests**

Legacies and bequests will be monitored and received in the same way as all other gifts covered by this Policy. However, enhanced due diligence will take place only once an estate has gone into administration, not when the University is first notified of a proposed legacy or bequest.

### **Complaints**

The University has a robust process in place to ensure complaints are given full and fair consideration and wherever possible resolved to the full satisfaction of all parties. Any complaints regarding matters addressed in this Policy will be investigated promptly in line with the University Complaints Procedure: [www.dur.ac.uk/ges/3rdpartycomplaints/](http://www.dur.ac.uk/ges/3rdpartycomplaints/)

## **5. Equality and Diversity**

This policy has been designed to ensure that no-one receives less favourable treatment due to protected characteristics.

## **6. Related Information**

### **Gift Acceptance - Scheme of Delegation**

On behalf of the University, responsibility for undertaking enhanced due diligence reviews in line with this Policy, for all gifts received throughout the University into the University's accounts, falls to the Director of DARO.

Gifts under £100,000 (or equivalent) or gifts donated by a recognised charity regulatory body – such as listed in the Gift Acceptance Policy – will not be screened routinely unless information is provided before a gift is accepted which suggests the gift could expose the University to a real or perceived threat to its reputation, an unacceptable conflict of interest, or the inhibition of free academic enquiry.

Gifts over £100,000 (or equivalent) will be subject to due diligence sign-off by the following University officers before a gift may be accepted:

- Vice-Chancellor: unlimited value
- Deputy Vice-Chancellor, Chief Operating Officer or Chief Financial Officer: up to £1m
- Director/Deputy Director of Development and Alumni Relations: up to £250,000

In all cases where there is concern that a potential ethical or reputational issue may arise, this MUST be reported to the Vice-Chancellor, Deputy Vice-Chancellor or University Secretary who will consult with the [Donations Advisory Panel \(DAP\)](#). The Panel will recommend acceptance, referral or refusal of a gift based on the principles of the Gift Acceptance Policy

### **Types of Gifts**

The following gifts are or may be acceptable (depending on restrictions):

#### Cash, debit/credit card, cheque or bank transfer

Cash donations over £100 will not be accepted. All donations by cheque should be made payable to 'Durham University'.

Donations via debit/credit card should be made online at <https://www.dunelm.org.uk/donations/donate-now> or via telephone

Donations via bank transfer should be made to the University's main account. Bank details available on request from DARO.

For all donations via Dunelm USA, consult [www.dunelmusa.org/giving](http://www.dunelmusa.org/giving) for full giving options.

#### Tangible personal property

Tangible personal property may include artworks, furniture, books, memorabilia, coin and stamp collections, jewellery, vehicles and any other personal property items owned by a donor. The University will examine a potential gift of tangible personal property for the item's financial value, its potential use by the University, any associated ongoing risks or costs to the University and, if the item will not be used or kept, whether the item could be sold quickly and converted into cash.

#### Shares

The University can accept both publicly traded securities and closely held securities. Publicly traded and marketable securities may be accepted subject to completion of the necessary transfer formalities and the payment of any Stamp Duty.

As a general rule, all publicly-traded and marketable securities will be sold upon receipt unless otherwise directed by the Chief Financial Officer acting on the advice of appointed investment advisers.

Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interests in limited partnerships and limited liability companies, or other ownership forms, can be accepted subject to the approval of the Chief Financial Officer. However, such gifts must be reviewed prior to acceptance to determine that:

- There are no restrictions on the security that would prevent the University from ultimately converting those assets to cash;
- The security is marketable or likely to become marketable in due course (without imposing any undue costs, administrative or other burdens in the interim);
- The security will not generate any undesirable tax consequences for the University.

In the normal course of events, every effort will be made to sell non-marketable securities upon receipt. The Chief Financial Officer will make the decision regarding acceptance and sale/retention of closely held securities.

#### Real estate (property and land)

Gifts of real estate may include gifts of developed property or undeveloped land. Prior to acceptance of gifts of real estate, the University shall require a structural survey or other similar review of the real estate to ensure that it offers no significant on-going financial or environmental risks or costs to the University. The cost of such survey or review will generally be an expense of the donor.

Gifts of Real Estate will be subject to the prior approval of the Chief Financial Officer. Considerations for the acceptance of the Real Estate include:

- Is the real estate useful for the purposes of the University?
- Is the real estate marketable?
- Are there any restrictions, reservations, easements or other limitations associated with the real estate?
- Are there on-going costs, which may include insurance, taxes and mortgages associated with the real estate?
- Does the structural survey show that the real estate is in a reasonable state of repair and likely to remain so prior to disposal?

The University may accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions above. The donor or other occupants may continue to occupy the property for the duration of the stated life. On the death of the donor, the University may use the property or convert it to cash at its absolute discretion.

#### Legacies and bequests

The University will accept legacies and bequests. The University asks donors wishing to leave a bequest or legacy to execute an appropriate Codicil in their will, or visit [www.dunelm.org.uk/legacies](http://www.dunelm.org.uk/legacies) for more information.

#### Other Gifts

The acceptance of gifts in any other form than those stated above will be considered on a case by case basis.

#### Library Gifts

Information regarding the University Library Gifts Policy is published at: [www.durham.ac.uk/library/about/policies](http://www.durham.ac.uk/library/about/policies)

## **7. Definitions**

Not applicable.

## **8. Version Control:**

Approval date: 10/07/2018

Approved by: Council

Contact for further information: [alumni.office@durham.ac.uk](mailto:alumni.office@durham.ac.uk)