UNIVERSITY OF ABERDEEN DEVELOPMENT TRUST

GIFT ACCEPTANCE POLICY

APPROVED BY BOARD OF TRUSTEES JUNE 2020

INTRODUCTION

The University of Aberdeen Development Trust (UADT) seeks philanthropic support from a range of public and private sector sources that support the strategic aims and objectives of the University of Aberdeen.

The Gift Acceptance policy sets out the principles that the UADT will follow when seeking and accepting gifts from individuals and organisations, and the commitment that it makes to donors and prospective donors.

REGULATORY COMPLIANCE AND BEST PRACTICE

The UADT is a charity registered in Scotland (SC002938). Accordingly, it is subject to charity law in Scotland and is regulated by the Office of the Scottish Charity Regulator (OSCR). The Trustees of the UADT are ultimately responsible for the operation of the charity and for ensuring regulatory compliance.

In addition, the UK Bribery Act 2010 requires the University of Aberdeen and the UADT to ensure, through due diligence and risk controls, that the receipt of a gift is not in relation to some inappropriate benefit that might be afforded the donor, such as the award of a contract or offer of a University place for a close relative.

The UADT is a member of the Council for the Advancement and Support of Education (CASE) and the Institute of Fundraising and adheres to the voluntary guidance and codes of practice issued by these professional organisations.

DEFINITIONS

This Gift Acceptance Policy applies to all gifts and gifts-in-kind received by the UADT.

A gift is something that is given to a person without receiving anything in exchange. It is offered voluntarily and without any expectation of a return. (HMRC definition)

Gifts-in-kind, also known as non-cash gifts, are gifts of property, including items such as artwork, equipment, securities, buildings and land.

A contribution of service, that is, of time, skills or efforts, is not property and, therefore, does not qualify as a gift or gift-in-kind for purposes of issuing donation receipts.

A benefit is any item or service provided by the charity or a third party to the donor or a person connected with the donor and which is associated with a donation. A right to receive a benefit is also a benefit, whether or not the right is exercised. (HMRC definition). HMRC has strict rules governing the relationship between benefits and Gift Aid eligibility.
KEY PRINCIPLES OF GIFT ACCEPTANCE

It is important both for donors and for the UADT that the reputation of all parties be wholly protected from any real or perceived impropriety in the relationship that is established through the offer and receipt of a gift. In particular, it is imperative that the integrity of the University of Aberdeen’s teaching and research activities be free from compromise or undue influence, including the perception thereof. The freedom to pursue academic inquiry is integral to the University’s values.

Philanthropic gifts to the UADT have made a significant contribution to the success of the University thanks to the generosity of our supporters. It is important however to maintain an appropriate separation between the receipt of a gift and the provision of academic services. The UADT plays an effective role in ensuring an appropriate degree of separation, while still providing donors with access to information about the activities that they have supported.

It is essential that the UADT gains confirmation from the University that it has the commitment, expertise, funds and capacity to deliver any projects that are funded or part-funded by philanthropy to the required standard and within the specified timescale (as appropriate). Failure to meet donors’ expectations can result in significant reputational damage.

The UADT accepts donations from a wide variety of sources, including individuals, companies and trusts and foundations. Donations may take the form of cash, stock, property or gifts-in-kind, and may be offered during an individual’s lifetime or as a gift in a Will. UADT will not accept any donations which:

a. Are from sources deemed to be illegal, discriminatory, in violation of international conventions on Human Rights or which have benefited from any form of theft, bribery, fraud, tax evasion, money laundering or terrorist activity.

b. Require the University or the UADT to give special consideration for employment to the donor, or to anyone designated by the donor.

c. Limit or compromise freedom of enquiry or academic integrity, or lead to falsified academic research, or create the perception of doing so.

d. Compromise the charitable status of the UADT.

e. Compromise the values and aims of the UADT/ University of Aberdeen.

f. Create a financial or other liability that is not supported and approved by the University/UADT (as appropriate).

g. Damage the reputation of the UADT/University of Aberdeen. This includes damage arising (i) due to public perception of the donor and/or (ii) due to failure/inability of the University to deliver the funded project.

h. Damage the relationship with other donors, prospective donors, research funders, sponsors, partners, staff or students.

i. Create other conflicts of interest.
STAFF & VOLUNTEER RESPONSIBILITIES

Ultimate responsibility for ethical and legally compliant fundraising lies with the UADT Board of Trustees. The Board has appointed a sub-committee, the Compliance Committee, to oversee, advise and make strategic decisions in the area of gift acceptance, as set out in Compliance Committee Terms of Reference. The Compliance Committee may refer gift acceptance decisions regarding higher-value or higher-risk gifts to the University’s Governance & Nominations Committee. The Board expect staff to take all reasonable steps to ensure legal compliance, ethical good practice and the avoidance or effective management of conflicts of interest.

Day-to-day adherence to legal and ethical standards is the responsibility of all Development Trust staff and volunteers. Those involved with raising and managing funds for the UADT should be guided by the UADT’s mission and values and their own sense of personal integrity. The UADT will ensure that the trust of the donor is not violated and that the values, mission and integrity of the UADT and University of Aberdeen are upheld. All those involved in the fundraising process - whether in frontline or supporting roles - must, at all times:

a. Demonstrate consistency, honesty and transparency, and treat donors and prospective donors with dignity, equality and respect.

b. Observe all legal and ethical requirements outlined by the UADT and the University of Aberdeen.

c. Follow University policies regarding Equal Opportunities, Personal Harassment & Bullying, Health & Safety, Employment, and Grievance.

d. Report any conflict of interest to the Executive Director of Advancement and the Chairman of the UADT.

e. Ensure solicitations reflect the mission and values of the UADT and the University of Aberdeen and that the intended use of funds is supported by the relevant Head of School.

The role of the Development & Alumni Relations Office is to inform, serve, guide and assist donors who support the University’s activities, but never to pressure or unduly persuade.

Persons representing the University shall encourage the donor to discuss the proposed gift with independent legal, financial or tax advisors of the donor’s choice to ensure that the donor receives a full and accurate explanation of all aspects of the proposed gift.

DUE DILIGENCE

Due diligence for gift acceptance is a process that begins at the earliest possible stage of fundraising and continues through to acceptance and subsequent stewardship of the gift. Gift offers are made in many different circumstances and the due diligence process needs to be flexible enough to accommodate these. Many gifts will be the result of carefully planned and implemented cultivation and solicitation over a period of months or years. Other gifts, however, may be offered or even paid to UADT without any advance notice. Some gifts will come direct to the UADT while others will come via the University of Aberdeen Foundation. While most gifts will be made by a living individual or extant organisation, legacy bequests are also a significant component of UADT income. Due diligence is a requirement for all gifts, irrespective of circumstances, but the wide range of gift scenarios means that it is not possible to prescribe a single, rigid approach or timescale.
Wherever feasible, due diligence should be undertaken, and the necessary approvals acquired, prior to establishing a fundraising relationship with the prospective donor. However, where this is not feasible (for example, where a relationship is already in place, or where the prospective donor, rather than the UADT, has initiated the relationship) the process should commence at the earliest possible opportunity.

There are two parts to every due diligence review:

1. **Internal due diligence.**
   This assesses and seeks to manage the risk of the University failing to deliver the funded project to the required standard or schedule. There will always be an element of residual risk (for example that the entire academic team will leave, or that the degree programme will be terminated). However, if the relevant Head of School is able to confirm that the project is a priority and that there is the expertise and capacity to deliver it, this risk should be low. Where applicable, the Vice-Principal (Research) may also be consulted.

2. **Donor due diligence.** This assesses the reputational and other risks associated with accepting a gift from the prospective donor. There are two levels of review:
   - **Basic screening.** This is undertaken for all gifts at £10,000 or above. Basic research into the prospective donor is undertaken to identify any potential risk factors. On the basis of this review, the gift may either be approved for acceptance by the Head of Development or referred to Compliance Committee.
   - **Due diligence paper.** This is a more detailed review, risk assessment and recommendation, which is prepared for the Compliance Committee (and potentially the University’s Governance and Nominations Committee) for approval. The only gifts requiring a formal due diligence paper are those that are £500,000 or above, plus those that are highlighted as needing a formal paper by staff (following the basic due diligence review) or by Trustees (through the screening undertaken at Compliance Committee meetings).

Reputational risks can emerge at any point in a philanthropic relationship and due diligence should be an ongoing and iterative process. A due diligence review can be requested at any time as circumstances change. For a donor giving a series of smaller gifts that, in time, exceed £500,000, there is no formal trigger point at which the due diligence process should commence. Rather, it is the responsibility of the Development Trust to monitor cumulative giving and exercise judgement regarding the need for formal review.

All potential donations over £500,000, and any with the potential to give rise to significant public interest, must be referred to the Compliance Committee for consideration at the earliest possible opportunity. For donations of £1,000,000 and above, any gifts approved by the Compliance Committee must then be referred to the University of Aberdeen Governance & Nominations Committee (GNC). The Compliance Committee may also refer to the GNC any gifts below £1,000,000 that are considered to present a significant risk. The Vice Chancellor will participate in both committees and will oversee the decision process. The decision of the GNC will be final.

**Research process**

The prospect (individual or organisation) and all directorships and shareholdings belonging to the prospect, when known, will be screened. Appropriate sources will be used where necessary to research the prospect. It is important to note that a screening will not be exhaustive and will be limited to publicly available resources.

The legal and reputational rights of potential donors should be considered as part of any due diligence undertaken. In this regard, a clear distinction should be drawn between rumour, speculation, and
matters of confirmed fact or legal finding. It is accepted that the UADT and University of Aberdeen may wish to consider the reputational risks that could be incurred through public perception of any donor. All relevant information will be compiled with full citations and presented without any personal comment in a dated report.

Due diligence documentation will be stored on the potential donor’s record on the Raisers Edge database. Care should be taken to ensure that sensitive personal information is processed and held in compliance with the General Data Protection Regulation (GDPR).

**UK Corporate and Charitable Bodies**

The UADT relies on the appropriate regulators to ensure that charities and companies are legally compliant. As such, UADT will not conduct independent investigations of funding sources. However, ethical concerns relating to revenue from products and services carrying reputational risk (e.g. tobacco, alcohol), or when prominent individuals associated with the organisation are of significant public interest, will be addressed through the due diligence process.

**Gifts from Outwith the UK**

Gifts from states or governments outwith the UK may be offered with conditions that will require legal and reputational factors to be taken into account prior to acceptance. If normal diplomatic relations do not exist between the UK and the state in question, the offer of a gift would not normally be accepted. Exceptionally, the offer may be referred to the UADT Compliance Committee.

**Gifts Received from the University of Aberdeen Foundation**

Gifts received via the University of Aberdeen Foundation will be subject to the same due diligence process, undertaken by UADT, as all other gifts. Normally, due diligence would be undertaken before the gift is received by the Foundation, especially if the gift is the result of staff solicitation. This will not always be possible (e.g. a gift could be made on the Foundation’s website), but it would be unusual for the Foundation to receive a large gift without UADT having ample prior notice. In rare cases (this has not happened to date), this may require the UADT to decline a gift that the Foundation has already accepted. Wherever possible this should be avoided through good communication with the Foundation’s administrators and Board of Trustees.

**Legacy Gifts**

Legacy gifts will be subject to the same due diligence process as other gifts. This applies both when the UADT is notified of a legacy pledge during the donor’s lifetime, and when first notification is after the donor has passed away. It may be necessary to communicate with the solicitor or executor of the Will in order to gather information for the review.

**Reviewing Past Decisions**

The Trustees, through the UADT Compliance Committee, may review and reconsider previous decisions taken in good faith relating to the acceptance of gifts and any naming rights attached, if subsequent events or the subsequent availability of additional information require it. The response to such circumstances should be transparent and proportionate to the circumstances that have arisen. These deliberations will be held in strict confidence to protect the privacy of the donor and also not jeopardise a gift in the discussion stage.
CONFLICT OF INTEREST

Members of staff of the UADT and Trustees of the Development Trust should act impartially and not be influenced in their roles by family, social and business relationships. Any member of staff, volunteer or Trustee who has a pecuniary, family or other personal interest with a donor, prospective donor or any other body under solicitation/discussion shall disclose that fact of his/her interest to the Executive Director of Advancement and the Chairman of the UADT Board of Trustees. A member of UADT staff, volunteer or Trustee is not considered to have a conflict of interest merely because they are a current/former member of staff of the University of Aberdeen or if they are a current or former student of the University. Those declaring a potential conflict of interest should refer to the guide below:

<table>
<thead>
<tr>
<th>Category of Interest</th>
<th>Information to be Disclosed</th>
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</thead>
<tbody>
<tr>
<td>Family/Personal Interest</td>
<td>Relationship to donor/prospective donor</td>
</tr>
<tr>
<td>Paid Employment</td>
<td>Employer &amp; Position held</td>
</tr>
<tr>
<td>Self – Employment</td>
<td>Nature of business</td>
</tr>
<tr>
<td>Directorship of companies (current &amp; former)</td>
<td>Names of company/companies &amp; date of directorship held</td>
</tr>
<tr>
<td>Significant shareholdings</td>
<td>Name of company/companies</td>
</tr>
<tr>
<td>Elected Offices</td>
<td>Name of authority &amp; position held</td>
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<tr>
<td>Trusteeships or participation in charities and other voluntary bodies</td>
<td>Name of body and position of office</td>
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<tr>
<td>Public Appointments</td>
<td>Name of body and position of office</td>
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<tr>
<td>Memberships of Professional Bodies</td>
<td>Name of Body</td>
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RETURN OF GIFTS

Gifts made to the UADT will not normally be returned to the donor. In cases where a gift with agreed restrictions has been received by the University in good faith but where circumstances have changed so that the original purpose of the gift cannot be fulfilled in whole or in part, the UADT will, in discussion with the University, normally seek to use the funds in a way that closely corresponds to the original objectives of the donation. This decision will be made in consultation with the donor, or the donor’s representative wherever possible. If no agreement can be reached with the donor or his/her representative about alternative uses for a restricted or designated donation, the University will return the unexpended portion of the donation. Investment income and capital appreciation of funds invested as part of the Trust’s wider portfolio will not be returned. If the donor is deceased, the donation will be used in a manner that is as consistent as possible with the donor’s original intent. Wherever possible, gift agreements will anticipate this possibility and allow for alternate usage of the gift. Gifts made in error and bank overpayments will be refunded to the donor on request.

ADMINISTRATION OF GIFTS-IN-KIND

The UADT can accept transfers of shares, an outright gift of an unencumbered property, and other gifts including art works, books or collections. 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 UADT reserves the right to dispose of shares
or property at a time to be decided by the UADT. 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 UADT wishes to ensure that gifts received 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 the University. This will be co-ordinated by the UADT. For example, acceptance of donations of books or artefacts will be subject among other things to ethical considerations regarding their provenance, available space, appropriate storage conditions, resources for cataloguing, conservation and displaying of items and relevance of subject matter to existing collections and research interests. Donations of equipment to the University will be subject to similar constraints and considerations such as agreement as to the transportation of items. The UADT reserves the right to refuse non-monetary gifts. Potential reasons for refusal may include that the University cannot take proper care of the item/s, that it already owns a copy of the proposed item/s (e.g. books or journals), that the University does not wish to hold the item/s for ethical reasons (for example due to cultural sensitivities) or that the gift would create a new financial or other liability that the University is unable to resource.

GIFTS OFFERED TO DEPARTMENTS AND SCHOOLS

In some cases, individual schools and departments have strong relationships with alumni and donors. It is important to encourage engagement between donors and the University staff who are leading projects which donors are supporting. The UADT will work with Schools and individuals to co-ordinate fundraising and stewardship, conduct due diligence and ensure that all gifts received are recorded and administered in a consistent and appropriate manner, and that suitable records are maintained of engagement with the donor. It is imperative that the schools work closely with UADT rather than developing fundraising relationships independently of UADT.

RESEARCH GRANTS AND CORPORATE SPONSORSHIP

For the avoidance of doubt, philanthropic gifts are distinguished from research grants, the latter being administered by the University Research Financial Services within the Directorate of Finance. With the approval of the Executive Director of Advancement and for the purpose of complete and consistent recording, income received through RFS from trusts, foundations, companies and other organisations which may be categorised as philanthropic (as defined by CASE Ross Survey guidelines) may be counted and recorded on the UADT database.

GIFTS TO UADT STAFF

From time to time supporters of the UADT may offer small gifts to UADT employees as tokens of appreciation. All such gifts made to UADT staff - including food, drinks and flowers purchased by the supporter, as well as non-perishable items - should be registered with the Head of Development immediately and, if possible, discussed in advance.

DONOR BENEFITS

In addition to expressing its appreciation and keeping donors informed about projects they support, the UADT may also offer donors invitations to special events or small gifts of appreciation. In certain cases “naming opportunities” appropriate to the level of gift are also offered on a case by case basis. All benefits afforded to donors under the Gift Aid scheme must comply with existing HM Revenues & Customs rules and relevant legislation.
RIGHTS OF DONORS AND PROSPECTIVE DONORS

The UADT is committed to treating donors, alumni and friends with the highest level of care and respect. The UADT adheres to the highest professional standards at all times and is committed to the following Donor Charter. Donors to the UADT can expect:

a. To be informed about the University of Aberdeen’s priorities and its strategic aims and objectives.

b. That a gift given for a specific purpose will be used for that purpose.

c. To be informed when the intended purpose of a gift can no longer be fulfilled due to charitable legislation or due to a change in the priorities or needs of the University. In such cases, the Development Trust will discuss with the donor their gift and how best their wishes can continue to be met.

d. To be informed of the impact of their donation, e.g., recruitment for a post they have funded, outputs of research they have supported, the award of a scholarship or bursary that they have funded, and to have agreed Compliance and reporting commitments honoured.

e. To have their donation acknowledged in a timely manner, and where appropriate to be publicly recognised in consultation with the University, or to remain anonymous if requested.

f. To have their questions relating to their donation answered in a timely and honest manner.

g. To have their right to privacy respected and their personal information to be treated in compliance with the General Data Protection Regulation.

h. To have access to the UADT’s latest published accounts.

The rights of the donor and what they can expect from the Development Trust are outlined in the Donor Charter 2013. This will be made available to donors via Development Trust communications.

COMPLAINTS PROCEDURE

Complaints or concerns should be raised with the Head of Development in the first instance for investigation. The UADT will do its utmost to resolve such issues. The Head of Development can be contacted at the University of Aberdeen Development Trust, Powis Gate, College Bounds, Aberdeen, AB24 3UG or by email at: giving@abdn.ac.uk.

REVIEW OF POLICY

The Development Trust will review the Gift Acceptance policy on a regular basis to ensure it continues to be ethical, adheres to charitable legislations, and honours donors and their gifts.

FURTHER INFORMATION

Further information is available from Rob Donelson, Executive Director of Advancement. Tel: 01224 274198, email: rob.donelson@abdn.ac.uk