



## DONATIONS POLICY

### 1. Purpose

1.1. This document sets out policy for the acceptance of donations. It is intended for charity personnel and for prospective donors and their advisers, providing assurance that all donors are treated equitably. It is related to but not intended to cover gifts and hospitality offered to individual members of the charity, which are the subject of the Conflict of Interest Policy and as set out in contracts of employment and Service Level Agreements, where applicable.

1.2 The charity actively encourages philanthropic support in line with its Constitution, viewing such support as a key element in Innercycle being able to fulfill its mission.

### 2. Context

2.1 In principle, trustees and other people working on behalf of a charity are expected to accept money given to that charity for purposes consistent with the charity objects, but have discretion to consider other factors relevant to the charity's best interests.

2.2 In addition, the UK Bribery Act 2010 requires the charity to ensure that the receipt of a donation is not related to inappropriate advantage that be afforded to the donor, such as the offer of employment for a close relative or the award of a contract. Other relevant legislation includes the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007, under which it is an offence to receive, retain or convert money or property known or reasonably suspected to be the product of criminal activity.

2.3 The charity provides a set of principles by which its personnel are expected to act and to take into account when making decisions at all levels of the charity. All fundraising activities should be conducted in line with the principles set out by The Funding Regulator and an Ethics Code.

### Definitions and scope

3.1. This policy applies to all philanthropic donations received by Innercycle whether under the charity name or on its behalf. A donation, or gift, is a voluntary transfer of money by an individual or organisation, made with philanthropic intent for the furtherance of charitable objects.



3.2. Innercycle CIO actively seeks and can accept donations from the following sources in accordance with this policy:

- Donations from individuals in the UK and overseas
- Grants from charitable trusts and foundations in the UK and overseas
- Donations from companies in the UK and overseas
- Donations from legacy bequests
- Grants from overseas governments or their agencies and foundations

### **Acceptance Principles**

4.1 Donations may be accepted and held by Innercycle in accordance with its financial procedures, which are formulated in conjunction with and monitored by the Finance Manager.

4.2 In considering the acceptance of any donation, the charity will consider if the donation is compatible with the purposes and goals outlined in its Constitution, all relevant legislation and charity policies.

4.3 The charity will not accept donations where the sources, or naming of a gift fall short of the standards determined through the procedures for the ethical screening of grants and donations, where:

- The funds may have been illegally or unethically obtained
- Acceptance may damage the reputation of the charity

4.4 The charity will not accept donations which compromise its independence. Examples include but are not limited to gifts that:

- Intend to influence the charity's selection criteria for Client enrollment
- Intend to affect the progress record of any current or future Client or have bearing on any dispute between a Client and Innercycle about the outcome of his/her support plan or programme of study

- Intend to influence the conferral of any privilege, benefit or undue advantage upon any currently registered or future Client
  - Limit the charity's freedom or its capacity to operate independently
  - Give rise to an unacceptable conflict of interests

4.5 The charity will not accept donations which are counter to its interests and objects. Examples include but are not limited to gifts that:

- Do not further or are in conflict with Innercycle's mission and/or values
- Are too difficult or expensive to administer or could create unacceptable liability or future expense
- Fail to meet the requirements of the Equalities Act 2010
- Violate the terms of this policy or other policies or regulations approved by the trustees.

## **Approach, Negotiation and Acceptance Practices**

### 5.1 General

5.1.1 All philanthropic donations must be coordinated through Innercycle in order for the charity to meet its legal obligations, to protect donor rights and expectations and to manage potential conflicting requests from different departments within Innercycle. The trustees must therefore be informed, in accordance with the procedures for the Ethical screening of Grants and Donations (Annex A), of an intended approach to a donor before it is made, or of any approaches from a donor which have been made to any individual, committee, department or other unit within the charity as soon as possible after the approach has been made.

5.1.2 Funding proposals will be subject to approval under a pricing and costing procedure prior to the proposal being accepted from the donor. Relevant personnel should consult the Finance Manager early on in any negotiations to improve the likelihood of approval being obtained.

5.1.3 Funding proposals for major initiatives will be subject to approval, in principle, by the trustees in consultation with the Chief Executive prior to the proposal being made to a donor or, when a donor approaches Innercycle offering a donation, or as soon as the potential for such funding arises in the course of negotiations with donors.

## Ethical Screening and Independence

5.2.1 All donations with which there are ethical concerns or which have a value above the thresholds set under Innercycle's procedures for ethical screening of grants and donations will be subject to screening or review under those procedures. With respect to donors that pose potentially high ethical or reputational risks, approval must be obtained prior to a proposal for a donation being submitted to the potential donor, or when a donor approaches the charity before negotiations with the donor can continue. In all other cases, approval must be obtained to continue negotiations as soon as it becomes clear that a donation will be made, or to continue negotiations if issues arise during the course of negotiations which give rise to ethical concerns. Approval must always be obtained prior to acceptance of a donation of the terms of that donation.

5.2.2 Naming rights in recognition of a donor, a third party or in memoriam are also subject to screening under the procedures for ethical screening of grants and donations in the same way as donations as set out in above in 5.2.1.

5.2.3 All donations from overseas charities are subject to screening under these procedures in the same way as donations as set out in above in 5.2.1 and 5.2.2.

5.2.4 Donors are not permitted to participate in the selection of appointments to any positions within Innercycle, paid or unpaid, including those to which they have donated or which are associated with projects which they have funded.

### 5.3 Naming Recognition

5.3.1 In addition to approval under the procedures for the ethical screening of grants and donations, proposed donations which involve naming will be subject to levels of approval as follows before the funding announcement becomes public:

- a) The naming of any department or vehicles as part of a donor agreement will be subject to review and approval from the charity on advice of the Chief Executive in consultation with the trustees
- b) The naming of portions of a building or room (as and when acquired by the charity) or vehicle or bicycle, as part of a donor agreement, will be subject to review and approval from the trustees

- c) The naming of a position or post as part of a donor agreement will be subject to review and approval from the trustees and the Head of Department in which the position is to be adopted
- d) The naming of an award, prize or bursary as part of a donor agreement will be subject to review and approval from the trustees and the Head of the relevant department
- e) The naming of plaques requires approval from the trustees.

5.3.2 Naming may be withdrawn where subsequent concerns arise regarding the source of the funding or the individual or organisation named.

5.4 If it appears that a proposed donation may violate one of above or the principles at section 4 of this policy, the member of staff soliciting or negotiating the donation on behalf of the charity must bring it to the attention of the Chief Executive and trustees to determine further action. Further action may include referral to the trustees for decision.

### **Bequests and gift restrictions**

6.1 InnecyCle welcomes notification by donors that they have included the charity in their wills or estate plans, records this information confidentially in its database, and honours their generous intentions with an invitation to membership of the charity in an appropriate context and capacity, to be agreed on a case by case basis.

6.2 Unrestricted gifts are extremely valuable to the charity and are allocated to purposes at the discretion of the Chief Executive, subject to approval by the trustees.

### **Gift agreements**

7.1 A written gift agreement is required for all charitable contributions or pledges to InnecyCle.

7.2 All gift agreements provided to donors by the charity should be in the form of templates as agreed by the trustees.

7.3 Gift Agreements must include the details of the gift, the project to be supported (if restricted), fulfillment schedule, naming rights (if applicable), relevant stewardship information and principle statements on freedom, including but not limited to statements affirming no donor involvement in decisions on recruitment, client enrollment and any awards.

7.4 Gift agreements for endowment must include a standard clause reserving the authority of the trustees to change the use or purpose of the donation when its object is no longer viable at the charity. For example, where Innercycle no longer offers a course or service for which a restriction has been accepted.

7.5 Restrictions related to the use or purpose of a donation should be written as preferences to allow the charity the greatest latitude in ensuring future use. When that is not possible, the agreement should reserve the authority of trustees to change the use or purpose of the donation as circumstances change.

### **Gift processing and acknowledgement**

8.1 All donations to Innercycle (excluding research grants) must be processed and recorded confidentially by the Finance Manager and Chief Executive (other than notifying trustees) to ensure compliance with this policy.

8.2 Innercycle may accept the following types of asset as a donation: cash, goods including bicycles, vehicles, property

8.3 In appreciation of substantial philanthropic support, Innercycle may accept restricted donations with specific restrictions to a particular department or unit, area or course of study, or eligibility for bursary.

8.4 However, restrictions should fit within the mission of Innercycle and must comply with equalities legislation and the charity's policies.

8.5 Restricted donations are subject to the approval of the trustees. Head of Department approval and acknowledgement should also be sought for any donation restricted for use within his or her department.

8.6 Donations in support of research (including knowledge engagement and impact) must be agreed and approved by the trustees.



8.7 Securities – stocks and bonds (by agreement with the trustees)

8.8 Property (by agreement with the trustees)

8.9 Personal property that is to be sold (by agreement with the Chief Executive and Finance Manager)

8.10 Innercycle may accept donations of personal property, including intellectual property, by agreement of the Chief Executive and the trustees and the appropriate department of the charity which will take receipt of the donation. Examples may include: bicycles, works of art, software licenses and computer hardware.

8.11 The definition of works of art for the purpose of this policy includes paintings, photographs, sculpture, artefacts, textiles, antique and bespoke furniture, ceramics, silverware, digital art works and onsite installations. Donations to the charity of works of art may be subject to additional procedures for determining acceptance. Donors and staff should consult with the Chief Executive and trustees.

8.12 All non-cash donations will be counted and credited to the donor at a fair market value. In the case of artworks it is the responsibility of the donor to obtain a valuation.

8.13 A donor's right to remain anonymous externally will be maintained, but full details will be recorded within the charity's donations database and this policy will apply. A gift will only be accepted where the identity of the donor is provided.

8.14 All donors and bequest intentions will receive appropriate acknowledgement and recognition for their pledges and gifts, as well as assurance that their gift is used for the purposes designated.

### **Legal or financial advice**

9.1 Innercycle does not provide legal advice or financial planning services for donors. Prospective donors should seek the assistance of their own legal and financial advisors in matters relating to donations and to tax and estate planning consequences.



9.2 To avoid conflicts of interest or the appearance of improper influence, Innercycle will not pay legal or other fees for the preparation of a donor's will or other documents which name Innercycle as a beneficiary.

## **Roles and Responsibilities**

10.1 Innercycle's trustees have overall responsibility for this policy including the specific responsibilities set out herein.

10.2 Innercycle's trustees and Chief Executive are responsible for the charity's ethical framework and ensuring that an Ethics Code and Guidance is embedded in the lifecycle and work of the charity through the plans, policies, procedures, guidelines and other documents which govern and inform the conduct of the business of the charity.

10.3 The charity's trustees and the Chief Executive are responsible for deciding whether the sources of funding coming in to the charity via prospective grants or donations referred to it are ethically acceptable as set out.

10.4 The trustees and Chief Executive are responsible for determining naming opportunities as set out and for determining action as set out.

10.5 The charity's trustees and Chief Executive are responsible for approving naming as set out and for agreeing to and signing gift agreements in accordance with prevailing legislation.

10.6 Innercycle is responsible for:

- Managing the shared interests of donors and the charity in conjunction with this policy
- Co-ordinating procedures for ethical review and recording decisions in the charity's central database systems
- Constructing and advising on gift agreements, including templates for agreements, on the advice of the Finance Manager
- Liaising with relevant authorities as appropriate in the course of negotiating agreements where relevant
- Processing donations and recording these in central database systems, aligned with prevailing Funding Regulator requirements



Owner	Innercycle CIO
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