

Acceptance and Refusal of Donations Policy

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<i>Lead Director:</i>	<i>Director of Fundraising</i>
<i>Lead Manager:</i>	<i>Head of Supporter Care, Shabz Khokhar</i>

Policy history

Version	Author	Date	Change
2.0	Linda Allen	October 2021	Consistent wording added to section 1 around board approval of the refusal of significant donations. Clarified wording in section 2. Links to other documents updated.
5.0 (transferred to new system as 1.0 under 4policies)	Linda Allen	October 2019	General wording and order of document. Section 3 added (guidance on donations from people in vulnerable circumstances) inclusive of Appendix 3 Section 4 added (the return of significant donations) Section 5 added (supporting policies) Previous section 3 changed to section 6 (Appendix 1 - log form)
4.0	Linda Allen	September 2017	Section 1.3.2 – to acknowledge new policy on Working with Pharmaceutical & Medical Device Companies
3.0	Douglas Graham	September 2016	Inclusion of Boxing Policy
2.0	Douglas Graham	September 2015	
1.0	Douglas Graham	September 2014	

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Policy Statement of Intent

The aim of this policy is to ensure that staff and volunteers have guidance when accepting a donation and understand the circumstances where we are unable to accept a donation. The policy also offers a framework around due diligence. This meets Charity Commission guidance including guarding against fraud, scams, and issues of reputational risk

This policy is reviewed every two years.

1. General Acceptance or Refusal of Donations

Staff and volunteers accepting or being notified of donations should apply the checks listed below. However, charities must have and be able to demonstrate good reasons for refusing a donation.

If there is a suggestion that a donation should be refused, or if there is any doubt or question over the acceptance of a donation, this should be referred to the Director of Fundraising who may then consult with the CEO and/or other relevant directors.

If this does not provide resolution, or the decision is particularly complex, this donation will be referred to the Board of Trustees.

A form for logging suspicious donations is attached (Appendix 1).

If due diligence checks reveal evidence of a crime, this must be reported to the police and/or other appropriate authorities.

The refusal of any significant donation would need to be approved by directors and the Board of Trustees.

1.1 **For donations from individuals of £10,000 and over which are considered to be of higher risk:**

1.1.1 The Charity Commission recommends knowing the identity of donors for what would be considered “substantial” donations. (See Appendix 2 ‘Know your Donor’ document held on SharePoint with this document) see also charity commission link <https://www.gov.uk/government/publications/charities-due-diligence-checks-and-monitoring-end-use-of-funds>

1.1.2 The names of such donors should be checked (using an internet search) to ensure there is no unacceptable reputational risk in accepting such a donation.

1.1.3 If such donations are made through a third party on behalf of an anonymous donor it is reasonable for directors/senior managers to insist on knowing the identity of the donor but for it to be kept anonymous from the rest of the organisation.

1.2 **Examples of unusual donations that could indicate a higher risk:**

1.2.1 Does the donation come with conditions attached – what are they and are they reasonable? (Also see the section on acceptance of donations for named individuals.)

1.2.2 The nature of the donation(s) – is there an unusual payment mechanism? Are there a series of donations from one credit or debit card?

(Criminals can sometime use online donations to charities to check whether a stolen credit/debit card is working, but this should be dealt with via the online payment verification systems.)

1.2.3 Is the donation from a different currency or outside the UK?

1.2.4 Is there anything to suggest that the Association is being used as a conduit to inappropriately transfer funds?

1.2.5 Is there anything else unusual or strange about the donation?

1.3 **Acceptance of donations that could cause reputational harm to the Association**

1.3.1 For donations from companies, the nature of their business should be ascertained, and a judgement taken on whether acceptance could cause reputational risk.

1.3.2 Donations from specific industries

- The Board of Trustees has specifically agreed that donations **should be accepted**, and can be proactively sought, from companies involved in the gambling industry.
- In line with our Investment Policy, the Board of Trustees has specifically agreed that donations **should not be accepted** from companies involved in the tobacco industry.
- A policy on Working with Pharmaceutical & Medical Device Companies (which includes acceptance of donations or sponsorship) is in place.

- **Boxing events** (and other sporting events in which the head is targeted)

- Although there is no definitive causal link between boxing and Motor Neurone Disease, the MND Association recognises the abundant evidence that there is a known causal link between boxing, head injury and other neurological diseases including dementia. On that basis the MND Association does not actively support boxing or any other combative sports in which blows to the head are one of the intentions of the sport and does not allow the use of its name or branded material to be used in connection with such sports.
- However, if a donation is made to the MND Association resulting from boxing or another combative sporting event, the Trustees of the MND Association have a legal obligation to consider whether it is in the best interests of the beneficiaries of the Association to accept the donation and therefore each individual case will be considered on its merits.

Implementation:

- As a result of this policy if we are approached by someone planning to run a boxing event to raise money for the Association, **we will advise them of this policy and decline this donation.**
- Any other situations (e.g., donations from an event already staged, donations from a boxing organisation) will be referred to the honorary officers for decision.
- Donations from any other industries/events that may create reputational risk should be referred for consideration to the Director of Fundraising who will then inform or consult with the director team as appropriate.

1.3.3 Although we may have decided that we wouldn't accept a donation from a particular company or industry, this does not necessarily preclude accepting donations from individuals raising money within that company (i.e., "employee fundraisers"). Such cases should be referred to the Director of Fundraising for further consultation.

1.3.4 The nature of a fundraising event should be ascertained prior to it taking place to ensure it would be appropriate for MND Association material to be used and for the funds to be accepted. For most events it will be obvious that there are no problems, however, if there is any uncertainty this should be referred to the Director of Fundraising for further consultation in the first instance. Depending on the nature and risk s/he may then discuss with the CEO or refer on to the Honorary Officers (see below).

2. Acceptance or Refusal of donations for named individuals

It is not unusual for donations to be made or funds to be raised to provide support for a specific individual or family affected by MND. However, any such donations must adhere to the MND Association guidelines on financial support.

This policy sets out below when we can accept donations for named individuals. However, this should not be promoted or encouraged by any Association member of staff or volunteer in any way.

If any donation arrives or is offered that the member of staff or volunteer being contacted considers may not meet the conditions stipulated below, or is unusual or suspicious in any other way, then they must refer the matter to their director or another senior manager.

2.1 **A donation for the benefit of a specific individual can be accepted providing:**

- 2.1.1 The conditions placed on it by the donor don't fall outside the range of support the Association would normally provide or the current guidelines on the total value of support each year.
- 2.1.2 That the need for this support has been independently verified and/or requested in the usual manner and has been agreed beforehand by the MND Association.
- 2.1.3 The risk of accepting the donation from a specific individual or organisation has been assessed (see wider policy and guidance above).
- 2.1.5 The cost to the charity of accepting a donation will not be greater than the value of the donation itself – in terms of money, time, or other factors.
- 2.1.6 Accepting a donation from a particular donor (individual or organisational) would not risk reputational harm to the charity (see general policy above).
- 2.1.7 At the time of accepting such a donation it should be made clear that all such donations are made to the MND Association for use within our guidelines on provision of support, and that they cannot/will not be “banked” to then be drawn upon for support to an individual or family over a period.

2.2 **Unless there are good reasons - we should not accept a donation if:**

- 2.2.1 The donation doesn't meet the above conditions
- 2.2.2 It came from another charity, benevolent organisation or grant making trust and we suspected that the Association was simply being used as a channel to provide funding that fell outside the remit of the donating organisation¹.

¹ This is our own decision as a charity **receiving** donations - it is actually the responsibility of the trustees of the **giving** organisation to ensure that they are dispersing funds in the appropriate manner.

3. Donations from individuals in vulnerable circumstances

The Motor Neurone Disease Association recognises that some of the many people that we engage with through our fundraising activity will not always have the capacity, at the point of the interaction, to fully understand the nature of the donation they are considering making to the Association, or the consequences of making that donation. We also understand that people in vulnerable circumstances may need further support before making a decision about whether to make a donation.

Whenever we suspect that someone, we engage with is lacking capacity or is in vulnerable circumstances, we will take steps to terminate the contact, e.g., a phone call with the supporter, in a way which seeks to protect that person while protecting their dignity and any desire they have expressed to support the Motor Neurone Disease Association. We recognise that everyone has the right to support their favourite causes and charities, but we also recognise that the Motor Neurone Disease Association has an obligation to protect those in vulnerable circumstances.

Our approach has been informed by the Institute of Fundraising document: Treating Donors Fairly - Guidance for fundraisers responding to the needs of people in vulnerable circumstances and helping donors make informed decisions. <https://ciof.org.uk/events-and-training/resources/treating-donors-fairly>

Definitions

Vulnerable individual – an individual that finds it difficult to immediately make an informed decision about the choices offered to them. A vulnerable individual may experience all or none of the following:

- a diagnosed condition such as dementia
- a recent bereavement
- an undiagnosed or temporary mental health condition such as severe anxiety
- learning difficulties
- difficulty understanding the language.

see also Appendix 3 – People in vulnerable circumstances - guidance for fundraising staff

- 3.1 We will take all reasonable steps to treat a donor fairly, enabling them to make an informed decision about any donation. This must include considering the needs of any potential donor who may be in a vulnerable circumstance or require additional care and support to make an informed decision.
- 3.1.2 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.
- 3.1.3 If a fundraiser knows or has reasonable grounds for believing that an individual lacks capacity to decide to donate, a donation **MUST NOT** be taken.
- 3.1.4 A donation given by someone who lacked capacity at the time of donating **MUST** be returned (legal requirement).

Please also refer to The Fundraising Regulators Codes of Practice.

<https://www.fundraisingregulator.org.uk/code/key-principles>

4. The return of significant donations

It is unusual to return a significant donation (£10k plus) once it has been donated towards our charitable purposes. Exceptions to this are if the donation was given to a restricted project which is no longer happening /has finished or has already been fully funded or if a significant donation has been accepted that we later find out was given by someone in vulnerable circumstances (see section 3).

When deciding if a refund is appropriate, we would consider the length of time that has passed since the donation was made and refer to the charity commission guidance on the return of significant donations. If a refund is decided on, the donation must be refunded back to the supporter themselves via the same method the donation was made. Any request for a refund must be received in writing from the supporter to meet audit regulations. If the supporter lacks capacity to do this, then information must be received by power of attorney.

In all cases, please refer to the Fundraising Director. Any significant refund would need to be approved by directors and the Board of Trustees.

5. Supporting policies

Safeguarding adults at risk of harm

Safeguarding children and young people

Working with Pharmaceutical & Medical Device Companies Policy

6. Appendix 1 - Log form for Suspicious Donations

SUSPICIOUS DONATIONS LOG	
Name of donor	<input type="text"/>
Amount of donation	<input type="text"/>
Date received	<input type="text"/>
Form of donation (e.g., cheque, direct transfer)	<input type="text"/>
Name of bank	<input type="text"/>
Sort code and account number	<input type="text"/>
BACS reference	<input type="text"/>
Account name	<input type="text"/>
Name of cheque signatory	<input type="text"/>
Currency used	<input type="text"/>
Nature of suspicion/reason for query	<input type="text"/>
Any previous donations from this source?	<input type="text"/>
Any conditions attached to donation?	<input type="text"/>
Action to be taken (indicate all that apply)	<input type="checkbox"/> Report to police - state crime ref number: <input type="checkbox"/> Report to Charity Commission <input type="checkbox"/> Report to HMRC <input type="checkbox"/> Refuse donation <input type="checkbox"/> Other action (record below)