



Philanthropic Gift Acceptance Policy v2.0

1. Purpose

- 1.1. The purpose of this policy is to guide ethical decision-making in the acceptance and management of philanthropic gifts at the University of Leicester.
- 1.2. It ensures compliance with legal and regulatory frameworks including Charity Law, CASE Europe's Ethical Principles, the Higher Education (Freedom of Speech) Act 2023, and the Fundraising Regulator Code of Fundraising Practice.
- 1.3. The policy aligns with the University's strategic objectives by safeguarding its reputation, academic freedom, and integrity.

2. Scope

- 2.1. This policy covers all philanthropic gifts sought by, or offered to, the University.
- 2.2. This policy applies to all staff and volunteers involved in receiving philanthropic gifts or making fundraising approaches on behalf of the University, which should be coordinated with the Advancement Office.
- 2.3. The Advancement Office is also responsible for a service relating to *Naming (Philanthropic or Honorific)* which has its own distinct policy and procedures that should be read in conjunction with this policy.

3. Philanthropic Gift Acceptance Policy Statement

- 3.1. The University of Leicester has an obligation to conduct its fundraising operations and relationships in an ethical manner, and to ensure that due diligence is observed when assessing whether to accept philanthropic gifts or establish specific philanthropic relationships. The purpose of this policy, and the related procedures, is to guide members of the University Council and the staff who support them to make clear and consistent decisions regarding the acceptance or refusal of gifts.
- 3.2. Ultimate responsibility for all decisions relating to the acceptance and refusal of gifts rests with the University Council, even where decision-making has been delegated to members of staff.
- 3.3. The policy and associated procedures are to be observed by all staff and volunteers of the University of Leicester engaged in these activities on behalf of the University.
- 3.4. A gift will be deemed to have been accepted by the University only once it has been authorised by signature, where required, as per the procedures. This may require the signing of a Gift Agreement or formal Due Diligence Report, dependent on the gift.

- 3.5. For all donations AND potential solicitations, University representatives must apply 'general' principles of due diligence, balancing the benefits the gift presents against the risks and standards as outlined in the University's Ethical Standards.
- 3.6. 'Enhanced' due diligence must be performed before accepting a gift where either:
- there are any concerns that the gift may not be compliant with the University's Ethical Standards, regardless of gift value
 - OR a gift of \geq £25k is offered or received by the University
- 3.7. Due diligence reporting is conducted by the University's Prospect Research Team within the Advancement Office. All relevant gifts must be reported on the University's Gift Notification Form to ensure that appropriate authorisation to accept the gift can be given.
- 3.8. Acceptance of Gifts involving the naming of a University entity (e.g. scholarships, rooms, buildings etc) must follow the University's 'Naming Policy and Procedures' prior to submitting a request for due diligence.
- 3.9. Reputational risk to the University increases with increasing gift value. As a result, due diligence has been divided into four gift acceptance levels with progressively increasing scrutiny and level of authority required for gifts to be accepted. At the time of writing these levels are:
- Level 1 - <£25,000
 - Level 2 - \Rightarrow £25,000 - <£100,000
 - Level 3 - \Rightarrow £100,000 - <£1,000,000
 - Level 4 - \Rightarrow £1,000,000
- These values are subject to change in order to keep pace with monetary inflation and other factors. Such changes will be advised by the Director of Advancement in consultation with the Vice-Chancellor and / or Deputy Vice-Chancellor (Professional Services) and will not seek the full re-approval of the policy.*
- 3.10. Projects with a net value of £1m+ must be approved by the President and Vice-Chancellor before a solicitation is made.
- 3.11. The delegated "Authorised Decision Makers" (further detailed in 5. Roles and Responsibilities) are, in increasing order of authority:
- Member of Staff Receiving the Gift – Level 1
 - Director of Advancement – Level 2
 - Executive Board (ExB) – Level 3
 - Nominations Committee – Level 4
 - Council – Ultimate decision maker for all philanthropic gifts

- 3.12. Authorised Decision Makers can decide to refer complex cases, where a decision cannot be reached, up to the next level of authorisation. In the case of the Nominations Committee, complex cases would be referred to the full University Council.
- 3.13. If any Authorised Decision Maker, or member of an Authorised Decision Maker, is to be a beneficiary of the gift e.g., through direct funding of their area of work, or there is the possibility of any other conflicts of interest, then they must declare their interest and withdraw from the decision-making process. Where withdrawal would mean a decision can no longer be made, or a meeting of the Authorised Decision Makers is not quorate, the decision should be referred up to the next level.
- 3.14. The University can at any time review and reconsider previous decisions taken in good faith relating to the acceptance or use of particular gifts, should circumstances have changed such that the gift would adversely impact the reputation, image, mission or integrity of the University, or otherwise breach this policy.
- 3.15. On rare occasions, gifts may be received by the University and held in a suspense account prior to being officially accepted by the University. The suspense account will be ring-fenced to prevent expenditure occurring until the funding has been authorised by the appropriate Authorised Decision Maker. Examples in which funds may be placed into a suspense account include:
- A donation is deposited directly into the University's bank account without the prior knowledge of the University. The University has not officially accepted the donation until the appropriate Authorised Decision Maker has approved the gift.
 - An unexpected and unsolicited gift is offered, and the timescale to complete the full authorisation process (via Executive Board or Nominations Committee) might jeopardise the donation. In such circumstances a Gift Agreement should be signed and authorised, and due diligence be conducted for approval by the Director of Advancement or Deputy Vice-Chancellor (Professional Services). It will be made clear to the donor that the gift will not be officially accepted by the University, nor publicity be given, until the appropriate Authorised Decision Maker has approved the gift.
- 3.16. Solicitations or 'Asks' for philanthropic support should always be led by, or be in coordination with, the Advancement Office. This is to ensure the principles of this policy are followed, and to mitigate against potentially damaging a relationship with a funder, for example:
- Submitting multiple bids to a sole donor, in contravention of their guidelines.
 - A donor is in a current funding relationship with the University
 - A prospective funder has already indicated they will not fund the University
 - The University has made a decision to not accept a previously offered donation by a prospective funder.

Anonymous Gifts Policy

- 3.17. The identity of all donors making gifts over £1k must be known by the University before accepting a gift or entering into any gift or 'gift in kind' negotiation.

- 3.18. At a minimum, disclosure of identity must be made to the Director of Advancement and either (in order of preference) the President and Vice Chancellor, Registrar or Chair of Council. The donor's identity will also be confidentially disclosed to the manager of the Prospect Research Team in order to allow due diligence to be conducted, as set out in this policy. The identity of the donor, and associated materials are to be kept in a restricted confidential file within the Advancement's office Sharepoint.
- 3.19. It is the donor's right to restrict knowledge of their identity to the above-named officers and/or to seek anonymity in relation to the public promotion of the gift.
- 3.20. Action to accept or solicit a gift must be suspended until this disclosure is made and abandoned if it is not forthcoming.
- 3.21. A six-monthly confidential report will be produced for the Chair of Council by the Advancement Office one month in advance of each meeting of Council, detailing current donors who have requested anonymity as per 3.18. In the case of donors who wish to withhold their identity from the Chair of Council, details of the gift, including the amount, the area supported and the Officers to whom the donor's identity has been revealed, must be reported. This will be produced by the Advancement Office Prospect Research Team and provided to the Director of Advancement Office for review prior to submission to Chair of Council.

Repeat Donors

- 3.22. Due diligence must be refreshed on donors where authorisation to accept a gift from the same donor has been given within the preceding five years.
- 3.23. Gift acceptance may then be authorised directly by the Director of Advancement or Deputy Vice-Chancellor (Professional Services), so long as the donation sought or offered is at the same authorisation level as the previous authorised gift AND there are no additional concerns arising following refreshed due diligence.
- 3.24. Where the gift exceeds the previous authorisation level, or where the refreshed due diligence reveals any new concerns, then the standard authorisation procedures should be followed.
- 3.25. The original authorisation expires after five years, and so a new due diligence authorisation must be sought for further gifts.

Appeals

- 3.26. Should a donor, or potential recipient of a gift, disagree with a decision to reject a gift, a review of the procedures followed will be undertaken by the Director of Advancement to confirm that the Authorised Decision Maker has followed procedures correctly. The

matter will then be presented to the University Council for a final decision. There will be no further right of appeal beyond the decision made by the University Council.

Reporting

3.27. The Deputy Vice-Chancellor (Professional Services) will formally report the following decisions to the next meeting of Council:

- Rejection of a gift, regardless of value
- Acceptance of gifts £1m+
- The six-monthly confidential report produced by the Director of Advancement for the Chair of Council, as detailed in 3.22 of this Policy

4. Definitions

Term	Explanation
<i>Gift</i>	<i>All forms of philanthropic support received by or pledged to the University, including cash, stocks and shares, and gifts in kind of equipment, services, property, etc. For further guidance on the definition of a philanthropic gift, please refer to Guidance Note: Definition of Philanthropic Funding.</i>
<i>Due Diligence</i>	<p><i>Reasonable steps taken to ensure relationships comply with the University's Ethical Standards</i></p> <ul style="list-style-type: none"> • <i>'General' due diligence, is defined as an awareness of, and adherence to the University's Ethical Standards at all stages of the relationship with potential funders to the University irrespective of value. This includes the identification of 'red flags' requiring elevation to 'enhanced' due diligence.</i> • <i>'Enhanced' due diligence is defined as the process of conducting a written due diligence report by the University's Prospect Research team, utilising a range of sources, and which requires approval from an authorised decision maker in order to enter into the relationship.</i>
<i>Authorised Decision Maker</i>	<i>Individuals or bodies with authority or delegated authority to approve due diligence reports based on value and/or risk.</i>

5. Roles and Responsibilities

Authorised Decision Makers	
Role	Responsible for
<i>University Council</i>	<ul style="list-style-type: none"> • <i>Ultimate responsibility for all due diligence decisions</i> • <i>Complex level 4 cases</i>
<i>Nominations Committee</i>	<ul style="list-style-type: none"> • <i>Delegated responsibility for approval of level 4 philanthropic gifts (≥ £1,000,000)</i>
<i>Executive Board</i>	<ul style="list-style-type: none"> • <i>Delegated responsibility for approval of Level 3 philanthropic gifts (≥ £100,000 < £1,000,000) with concerns.</i>
<i>Deputy Vice-Chancellor (Professional Services)</i>	<ul style="list-style-type: none"> • <i>Delegated responsibility for approval of Level 3 philanthropic gifts (≥ £100,000 < £1,000,000) with no concerns.</i>

<i>Director of Advancement</i>	<ul style="list-style-type: none"> • <i>Delegated responsibility for approval of Level 2 philanthropic gifts (≥ £25,000 < £100,000)</i> • <i>Approval to solicit level 2,3,4 philanthropic gifts</i>
<i>Advancement Manager</i>	<ul style="list-style-type: none"> • <i>Delegated responsibility for approval of Level 1 gifts (< £25,000)</i> • <i>Approval to Solicit Level 1 gifts</i>

Administrators	
<i>Advancement Prospect Research Team</i>	<ul style="list-style-type: none"> • <i>Management of Advancement Due Diligence inbox</i> • <i>Completion of Philanthropic Due Diligence report</i> • <i>Submission of Philanthropic Due Diligence Report to approver</i> • <i>Logging of Philanthropic Due Diligence decisions on The Raisers Edge CRM.</i>

6. Compliance and Communication

- 6.1. Compliance is monitored through reporting mechanisms including Gift Notification Forms and due diligence reports.
- 6.2. Non-compliance may result in referral to a higher Authorised Decision Maker and potential delay or rejection of gifts.
- 6.3. Decisions are logged by the Advancement Office Prospect Research Team in the customer relationship database *The Raisers Edge*
- 6.4. The policy is communicated via the University's [Governance Policies](#) and Advancement Office [Ethical Giving Policy](#) web pages.
- 6.5. Communication on matters relating to this policy or due diligence requests, should follow the procedures as outlined in the Advancement Office – Philanthropic Gift Acceptance Procedures.

7. Related Policies and Documents

Advancement Office – Philanthropic Gift Acceptance Procedures

Advancement Office – Naming [Policy](#) & [Procedures](#)

University of Leicester [Code of Practice concerning Freedom of Speech](#)

University of Leicester – [Financial Regulations](#)

[Higher Education \(Freedom of Speech\) Act 2023](#)

[Charities Act 2022](#)

[CASE Europe – Ethical Principles Behind the Acceptance of Gifts in Europe](#)

[Fundraising Regulator – Code of Fundraising Practice](#)

8. Appendices

8.1. Appendix 1 - Role and responsibilities of Council and Authorised Decision Makers

Ultimate responsibility for all decisions about the acceptance of gifts, even where decision making has been delegated to staff or volunteers, must rest with the members of the University Council.

- 8.1.1 The members (and their delegates) must take all decisions relating to the acceptance/refusal of gifts and funding in the best interests of the University.
- 8.1.2 Members must act reasonably and prudently in all matters relating to the University and need always to bear in mind that their prime concern is its interests. They must not let any personal views or prejudices, nor short term financial pressures on the University, affect their conduct as members. They must exercise an appropriate degree of care in administering the University.
- 8.1.3 The members must be able to demonstrate that they have acted in the best interests of the University, irrespective of any individual or collective personal interest or predilection, in each and every case. The members (or their delegates) have a duty to consider carefully, on the basis of the evidence available to them, whether the interest of the University will be better served by accepting or refusing the gift or funding and to act accordingly.
- 8.1.4 In making these judgements, members and their authorised decision-makers must not allow individual or collective personal, political or commercial interests, nor personal views on political or ethical issues, which are not directly related to the interests of the University, affect their judgment.
- 8.1.5 Consequently, where members decide to delegate their responsibility to staff, to volunteers or to local groups/branches, they must ensure that clear areas of responsibility are established within agreed management structures. Clear procedures for the delegation of decision-making must be established in writing and agreed formally by the members.
- 8.1.6 In such cases the members must be able to demonstrate clearly how the best interests of the University have been served in accepting or refusing the gift or funding in question.
- 8.1.7 Members must derive no personal benefit (individually or collectively) from gifts, funding, loans or other material support offered to the University.

8.2. Appendix 2 - Ethical Standards

In line with Charity Law, CASE Europe's Ethical Principles Behind the Acceptance of Gifts guidance, the Higher Education (Freedom of Speech) Act 2023 and the University's Freedom of Speech Code of Practice it is the University's policy to refuse gifts or funding that it judges to be illegally obtained or which might adversely affect its reputation or compromise its academic freedom or integrity.

This can encompass, but is not limited to, refusing to accept a gift or funding where:

- 8.2.1 It results from illegal activities (including unlawful discrimination, violation of international conventions on human rights or any form of theft, bribery, fraud, tax evasion, money laundering or terrorist activity) whether in the UK or overseas.
- 8.2.2 It requires an action or actions on behalf of the University or its staff which are deemed illegal.
- 8.2.3 The activities of the donor/funder are contrary to the values and strategic goals of the University.
- 8.2.4 The gift/funding derives from, or is directed to, an activity that limits freedom of enquiry or runs counter to the core values of impartial, independent research, scholarship and teaching.
- 8.2.5 The conditions tie the gift/funding to a specific activity which causes unacceptable conflicts of interest for the University and/or is not in keeping with the values and strategic goals of the University.
- 8.2.6 It will cause unacceptable damage or injury to third parties.
- 8.2.7 It will harm the University's reputation and relationship with other philanthropic donors, research funders, partners, students or prospective students.
- 8.2.8 The gift arises from individuals or organisations where the major part of their business demonstrates characteristics outlined in the University's Ethical Investment Policy within the [Financial Regulations](#).
- 8.2.9 It can be clearly shown that the cost to the University of accepting a gift will be greater than the financial or intellectual value of the gift itself.
- 8.2.10 The gift may give rise to an actual or perceived conflict of interest between the donor and their activities and the area of work or research being funded. Examples that may represent potential conflicts of interest include:
 - the donor, or a member of their immediate family, is a current student or applying to study at the University. The University will only accept philanthropic gifts from students or their immediate family if there is no personal or academic gain for that student from making such a gift.
 - The organisation in which the donor or a 'connected persons', defined as:
 - a. Spouse
 - b. Sibling
 - c. Civil Partner
 - d. Ancestor
 - e. Lineal descendent

- f. A spouse of a sibling, ancestor or lineal descendent
- g. A company under the control of the donor or a connected person

have a significant material interest (as a director, shareholder or senior employee) holds, or could potentially compete for, a University contract as a supplier. The Procurement Unit should be informed of the proposed gift, so that they may advise on the level of risk attached, e.g. a tender exercise could be made vulnerable to the risk of legal challenge on the basis that the winning bidder gained undue influence by making a donation to the University. In general, negotiations concerning philanthropic gifts should not be held whilst the University is undertaking, or planning to undertake, a procurement exercise where the organisation offering the gift could potentially be a (winning) bidder.

- If the donor stands to gain financially from providing this gift (e.g. if the gift is to fund research from which the donor, or their company, would benefit financially)
- If the donor is, or is to become, an employee (including honorary or visiting appointment) of the University

8.2.11 If the Authorised Decision Maker is to be a beneficiary of the gift, e.g. through direct funding of their area of work, or there is the possibility of any other conflicts of interest, then they must declare the interest and refer up to the next level by informing the Prospect Research Team.

8.2.12 Staff and members of the University Council must follow all of the University's policies and procedures at all times. The requirement to follow the University's Financial Regulations when involved in fundraising activities or bidding for funding and the stewardship of the funds raised is of paramount importance.

8.2.13 In addition, in accordance with the Higher Education (Freedom of Speech) Act 2023 and the University's Freedom of Speech Code of Practice, due diligence on donations from overseas governments, legal entities incorporated outside the UK or political exposed persons in relation to countries outside the UK, will need to consider and document that any such donations do not impinge on a) freedom of speech within the law, and b) the academic freedom of staff in the provision of higher education by the University.

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