

ACCEPTANCE AND REFUSAL OF DONATIONS Policy and Procedure

1. GENERAL ACCEPTANCE OR REFUSAL OF DONATIONS

Staff and volunteers accepting or being notified of donations should seek to identify or further verify the donor or donating organisation (as outlined in the attached “Know your Donor” principles) and any related risk in the following circumstances:

1.1. Donations considered to be of higher risk:

- 1.1.1. Donations of £5,000 and over. The Charity Commission recommends knowing the identity of donors for what would be considered “substantial” donations.
- 1.1.2. If such donations are made through a third party on behalf of an anonymous donor it is reasonable for the trustees to insist on knowing the identity of the donor but for it to be kept anonymous from the rest of the organisation.

1.2. Donations that are unusual or could indicate a higher risk, such as:

- 1.2.1. Does the donation come with conditions attached – what are they and are they reasonable (see also the policy below 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 the 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 Charity is being used as a conduit to transfer funds?
- 1.2.5. Anything else unusual or strange about the donation?

1.3. Where acceptance of the donation could cause reputational harm to the Charity

- 1.3.1. For donations from companies over £5,000 the nature of their business should be ascertained and a judgement taken on whether this could cause a reputational risk.
- 1.3.2. Any fundraising event where it would not be deemed appropriate to accept the funds raised. This should be decided on a case by case basis taking all factors into account.

2. ACCEPTANCE OR REFUSAL OF DONATIONS FOR NAMED INDIVIDUALS

2.1. A donation for the benefit of a specific individual should be accepted providing:

- 2.1.1. the conditions placed on it by the donor don't fall outside the range of support the Charity would normally provide
- 2.1.2. that the need for this support has been independently verified and/or requested in the usual manner.

- 2.1.3. the risk of accepting the donation from a specific individual or organisation has been assessed (see wider policy and guidance above)
- 2.1.4. 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
- 2.1.5. accepting a donation from a particular donor (individual or organisational) would not risk reputational harm to the charity (see general policy above)

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

- 2.2.1. it came from another charity, benevolent organisation or grant making trust and we suspected that our charity was simply being used as a channel to provide funding that fell outside the remit of the donating organisation
- 2.2.2. However, if any donation arrives or is offered that the member of staff being contacted considers may fall within one of these points, or is unusual or suspicious in any other way, then they must refer the matter to one of the trustees.

3. OPERATIONAL IMPLEMENTATION

- 3.1. In applying the above policies staff are to use common sense and are empowered to take responsibility for making a decision. However, if unsure, or if there is a cause for concern, the matter must be referred to a trustee.
- 3.2. A form for logging of suspicious donations is attached (appendix A).
- 3.3. If due diligence checks reveal evidence of a crime, this must be reported to the police and/or other appropriate authorities.
- 3.4. Although this policy sets out where and how we can accept donations for **named** individuals this should not be promoted or encouraged by the charity in any way.

Methods of distribution.

Copies should be made available to all those working in any capacity on behalf of the charity

Review dates: May 2018, April 2019

Suspicious / Substantial Donations Log

Name of Donor			
Amount of donation		Date Recieved	
Form of donation (e.g. cheque, bank transfer)			
Name of Bank			
Sort Code		BACS reference	
Account numner			
Account Name			
Name of Cheque signatory			
Currency used			
Nature of suspicion / reason for query			
Any previous donations from this source?			
Any conditions attached to donation?			
Action to be taken		Report to police, state crime ref. number	
		Report to Charity Commission	
		Report to HMRC	
		Refuse Donation	
		Other Action (record below)	