

WINDLESHAM HOUSE SCHOOL



Policy: Donations

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Next Review Due: March 2021
Policy 05-05

Responsible Member of Staff: Emma Harris
Responsible Governor: David King

Summary Policy Statement: *Windlesham House School ("Windlesham") supports the solicitation for, and acceptance of, monetary or in-kind donations that are consistent with the aims, values and strategic objectives of Windlesham. As Windlesham values and safeguards its autonomy, integrity and reputation, donations are not accepted which might compromise these fundamental principles.*

1 Donation Policy:

- 1.1 Windlesham House School ("Windlesham") supports the solicitation for, and acceptance of, monetary or in-kind donations that are consistent with the School's charitable objects, aims, values and strategic objectives.
- 1.2 Windlesham House School is the working name of the Malden Trust Limited which is a registered Charity (Charity No. 307046).
- 1.3 A donation is a voluntary contribution made by an individual or organisation to another without compensation or benefit flowing from the giver to the receiver, made with a philanthropic intent to enhance or otherwise contribute to the educational mission, values and purposes of Windlesham. The donation is irrevocable. The donor cannot impose contractual requirements or subsequent reports as a condition of a donation.
- 1.4 This policy is to be read in conjunction with the following policies:
 - a) Anti-Money Laundering Policy; and
 - b) Data Protection Policy
- 1.5 As Windlesham values and safeguards its autonomy, integrity and reputation, donations are not accepted which might compromise these fundamental principles. Therefore, gifts will **not** be accepted if:
 - a) A donation would be contrary to Proceeds of Crime Act 2002 (POCA 2002);
 - b) A donation has any condition attached to it that is inconsistent with the objects, aims, values and strategic objectives of Windlesham;
 - c) The source of a donation is likely to draw adverse publicity for Windlesham or bring into disrepute its objects, aims, values and strategic objectives;
 - d) Acceptance would be unlawful, counter to public interest or involve an unacceptable risk of reputational damage to Windlesham; and
 - e) Acceptance of a donation is likely to deter other donors from future support.
- 1.6 Decisions on admission to Windlesham are fully independent of philanthropic support for Windlesham. Any donation will not affect the academic record of a pupil, it will not influence a child in the admissions procedure and will not have a bearing on any dispute between a pupil or his/her parents and Windlesham.

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- 1.7 When deciding whether to accept a donation, Windlesham will consider the "Know your principles" as detailed in the Charity Commissioner's guidance.

2 Due Diligence

- 2.1 For all donations, Windlesham will have regard to the Charity Commissioner's "Know Your Donor" principles. In doing so Windlesham will consider the "Know your donor" questions found in Annex A which assist in:
- Identifying the donor;
 - Verifying the donor (where it is reasonable and necessary to do so);
 - Knowing the organisations/individual's business with the charity and having confidence they will deliver what the charity wants them to do; and
 - Watching out for unusual or suspicious activities, conduct or requests.
- 2.2 For donations above £10,000 all potential donors will be subject to initial screening which involves a standardised search of publicly available material and services to highlight potential areas of controversy or concern. This will include:
- a review of the corporate social responsibilities policies of corporate donors, along with a review of the reputation of the donor to assess for any potential controversial impact on Windlesham in accepting the gift;
 - If the donation is for a particular project, this must be identified and recorded in the acceptance process;
 - Establishing if the donation is from a non-UK bank account and/or from a high risk jurisdiction;
 - Identifying if the donation is unsolicited and/or from a unknown donor to the School or it's staff; and
 - Identifying if there are any present or upcoming School procurement interests that may be connected to the donor.
- 2.3 If there is a possible link between school procurement interested and the donor, a gift will not be accepted or discussed until it has been established that there is no possible conflict of interest.
- 2.4 Where a conflict of interest is identified, the gift must be refused.
- 2.5 Due diligence may include, but not limited to, checking:
- publicly available sanctions lists, which include proscribed individuals and terrorist groups;
 - Companies House;
 - The Electoral Register;
 - Lexis Nexis;
 - Mint UK;
 - Iwave Pro;
 - HM Treasury, Financial sanctions – Consolidated list of targets, Sep 2020 (last update). Available at: www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets
 - Home Office, Proscribed terrorist groups or organisations, December 2016 (last update). Available at: www.gov.uk/government/uploads/system/uploads/attachment_data/file/538297/20160715-Proscription-website-update.pdf Due diligence processes for potential donations Part Four
 - Prospecting for Gold;
 - World Check (provided by Thomson Reuters);
 - Factiva (provided by Dow Jones); and
 - Prospect Research UK forum – Yahoo Group open to all researchers in development and fundraising roles with the aim of sharing information.

3 Donation Procedure

- 3.1 The Headmaster and Bursar will determine whether a donation is consistent with Windlesham's objects, aims, values and strategic objectives.

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- 3.2 All gifts over £10,000 must be approved by either the Head or Bursar and an appointed Donations governor.
- 3.3 All gifts over £25,000 must be approved by the Headmaster or Bursar and Chair of the Governors.
- 3.4 Donations made by the same donor during a 5 year period will be aggregated when considering the thresholds above.
- 3.5 Windlesham may carry out such due diligence on the donor and the source of the donation as it considers appropriate.
- 3.6 Legal or other advice may be sought if appropriate in relation to the acceptance of a donation.
- 3.7 Once a donation is agreed, a Donation Agreement (See Annex B for an example) will be signed by both the donor and Windlesham.
- 3.8 Donations will be accounted for so that their receipt and subsequent expenditure or transfer to other funds can be readily identified and reported.
- 3.9 Windlesham will be pleased to provide recognition to donors in a mutually agreeable format.
- 3.10 Windlesham may disclose details of any donor where required to do so by law, any governmental or regulatory authority or a court order.

4 Reporting

- 4.1 If Windlesham is concerned about a suspect donation, we will report the donation to Action Fraud and/or other appropriate authorities (see Anti-Money Laundering Policy also)
- 4.2 Windlesham will also report the suspect donation to the Charity Commission under our reporting serious incidents regime as soon as we become aware of it.
- 4.3 This means that IF the charity knows or suspects that the donation constitutes or represents (in whole or in part and whether directly or indirectly) a person's benefit from criminal conduct then it must obtain consent from NCIS to its possession, use or transfer of the money.

5 Record Keeping

Once gifts have been received a record should be kept which may be called upon by the Bursar to complete for the main Governing Body report. The minimum information required by Bursar is as follows:-

- Name and address of donor;
- Name of staff member(s) involved;
- Amount and purpose of donation including project/department the gift is to support;
- Due diligence conducted on the donor;
- Understanding the source of the donation;
- The account and project code the gift was credited to (see accounting procedures below);
- Copies of supporting letters, proposals, communication with and from the donor; and
- A countersigned copy of the agreement by the donor.

An Annual Donation Report will be produced by the Finance Team from the Donations log. This report will be presented to the Governing Body annually.

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Annex A – Know Your Donor Questions



CHARITY COMMISSION
FOR ENGLAND AND WALES

Tool 6: Know your donor

Know your donor - key questions

These questions are not intended to be asked in respect of each donor. However, trustees may need to consider them depending on the **risk**, including the size and nature of the donation, and whether it appears to have any **suspicious** characteristics.

General information

- Who are the donors?
- What is known about them?
- Does the charity have a well established relationship with them?
- Do any additional identity checks need to be made? Full use should be made of internet websites, particularly to check whether a donor organisation is registered with another regulator. Registration may provide access to the organisation's accounts and governing document
- Are the donors UK taxpayers, and can Gift Aid be claimed?
- If Gift Aided, does the donation fail all the 3 tests, in which case it is a tainted charity donation? The tests establish whether the person or linked person or entity gains a financial advantage from the donation; whether 1 of the main or sole purposes is to obtain a financial advantage directly or indirectly from the charity for the donor or linked person; and the donor is not a wholly owned subsidiary of the charity or a 'relevant housing provider'.
- In what form is the money being received? Cash, cheque, bank transfer?
- Have any public concerns been raised about the donors or their activities? If so, what was the nature of the concerns and how long ago were they raised? Did the police or a regulator investigate the concerns? What was the outcome?
- Would any adverse publicity about the donor have a damaging effect on the charity?

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The nature of the donation and any conditions

- How big is the donation?
- Is it a single donation, or one of a number of regular donations, or the first of multiple future donations?
- Is the donation one of a series of interest-free loans from sources that cannot be identified or checked by the charity?
- Are there unusual or substantial one-off donations?
- Does the donation come with any conditions attached? What are they? Are they reasonable?
- Is there a condition that funds are only to be retained by the charity for a period and then returned to the donor, with the charity retaining the interest?
- Is the donation conditional on particular organisations or individuals being used to apply the funds?
- Is the donation conditional on being applied to benefit particular individuals either directly or indirectly?
- Is there a suggestion that the charity is being used as a conduit for funds to a third party?
- Is the donation in sterling or another currency, perhaps with a requirement that the donation be returned in a different currency?
- Are any of the donors based, or does the money originate, outside the UK? If so, from which country? Does this country/ area pose any specific risks?
- Are donations received from unknown bodies or international sources where financial regulation or the legal framework is not rigorous?
- Is the donation received from a known donor but through an unknown party or an unusual payment mechanism where this would not be a typical method of payment?
- Is anything else unusual or strange about the donation?

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What trustees should do if they are suspicious

- If due diligence checks reveal evidence of crime, trustees must report the matter to the police and/or other appropriate authorities.
- If the trustees have reasonable cause to suspect that a donation is related to terrorist financing, they are under specific legal duties under the Counter-Terrorism Act to report the matter to the police. In the case of money laundering, reports can be made to the police, a customs officer (HMRC), or an officer of the National Crime Agency.
- Such issues should be reported to the Charity Commission under the reporting serious incidents regime, especially if significant sums of money or other property are donated to the charity from an unknown or unverified source. This could include an unusually large one-off donation or a series of smaller donations from a source you cannot identify or check. The commission would expect trustees to report any such payment (or payments) totalling £25,000 or more.
- Check the donor against the consolidated lists of financial sanctions targets and proscribed organisations.
- Consider whether to refuse the donation.

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Annex B – Example of Windlesham House School donation agreement

This donation agreement is made between _____ (hereinafter referred to as the **Donor**) and The Malden Trust Ltd which operates as Windlesham House School (the **School**).

DONOR INFORMATION

Name and address: _____

Nationality: _____

Business of the donor: _____

Relationship with the school _____

DONATION PLEDGE

The Donor pledges a gift of £ _____ to Windlesham House School.

Payment will be made in the form of _____ (cheque/cash/bank transfer etc.) with funds coming from _____ (name of bank) which is UK*/non-UK bank* (*delete where appropriate). Cheques are to be made out to The Malden Trust Ltd.

I have made a donation to Windlesham House School in the past 5 years.

I am a UK taxpayer and wish Windlesham House School to claim Gift Aid on all donations I have made in the last four years and any future donations I make. What is Gift Aid?

PAYMENT SCHEDULE

This gift will be made either in a single payment or by instalments:

Single payment: £ _____ and date _____ or

| Instalments: | Amount | Date |
|--------------|---------|-------|
| | £ _____ | _____ |
| | £ _____ | _____ |

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PURPOSE

This gift will be allocated towards the School's (please specify):

Building Development plans

Bursary Fund

Hardship Fund

Discretionary use by the Governors for the benefit of the School

Any other purpose (please specify)

DONOR ACKNOWLEDGEMENT

I understand that acknowledgement for the gift will be determined for all major donors once the campaign is further along. Any acknowledgment will be discussed with and agreed by the donor.

SIGNED

(the Donor)

Date: _____

Emma Harris (Bursar Windlesham House School)

Date: _____