Procedures for Handling Donations
# Glossary

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
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<tr>
<td>ACBELA</td>
<td>Advisory Committee on Benefactions and External and Legal Affairs</td>
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| CUDAR        | Development and Alumni Relations  
(referred to as DAR or CUDAR internally, but should not use acronym for external communications or with donors) |
| CUDO         | Cambridge University Development Office  
(former name of CUDAR) |
| CAm          | Cambridge in America  
(the organisation that raises funds for the University of Cambridge and the 31 Cambridge Colleges in the United States of America) |
| FOI          | Freedom of Information (Act 2000) |
| JCD          | Joint Committee on Development  
(made up of representatives from the Colleges, Schools, and CUDAR) |
| LSO          | Legal Services Office |
| PRAO         | Planning and Resource Allocation Office  
(provides support for the Planning and Resources Committee (PRC) and the Resource Management Committee (RMC)) |
| ROO          | Research Operations Office |
| RSD          | Research Services Division (former name of ROO) |

This document is designed to provide helpful guidance. The University’s Executive Director of Development and Alumni Relations would welcome comments and suggestions from users on any other information that should be included.
Procedures for Handling Donations

Contents

Glossary .............................................................................................................................................. 1

Introduction ........................................................................................................................................ 3
  Definition of a donation .................................................................................................................... 3
  ‘Donations for Research’ ................................................................................................................ 4
  Acceptance of donations .................................................................................................................. 4

Core Procedures for the solicitation and acceptance of donations .............................................. 6
  1. Solicitation of donors .................................................................................................................... 6
  2. Alumni donors – special considerations ................................................................................... 6
  3. Approval of new activity/posts to be funded .............................................................................. 7
  4. Accounting for donations .......................................................................................................... 7
  5. Ethical guidelines ......................................................................................................................... 7
  6. Equality and diversity .................................................................................................................. 9
  7. Purpose of the gift and potential resource implications ............................................................. 9
  8. Cost of project supported ........................................................................................................... 9
  9. Gift Aid and tax efficient giving ................................................................................................ 10
  10. Donations received in foreign currency .................................................................................... 11
  11. Non-monetary donations ......................................................................................................... 11
  12. Donation agreements ............................................................................................................... 12
  13. Trust Funds ............................................................................................................................... 12
  14. Publicity ..................................................................................................................................... 13
  15. Freedom of Information (FOI) ............................................................................................... 13
  16. Stewardship of donors ............................................................................................................ 13

APPENDICES ...................................................................................................................................... 15
  Appendix 1 – Code of Practice – for alumni and College donors ................................................. 16
  Appendix 2 – Gift Aid – Further information .............................................................................. 23
  Appendix 3 – Process for accepting a gift ..................................................................................... 25
  Appendix 4 – Template gift acceptance letter for Departments ................................................. 28
  Appendix 5 – Contact List ............................................................................................................. 30
Introduction

Philanthropy is an important source of support for the University’s activities. These guidelines set out the essential responsibilities and obligations of those involved in the solicitation and acceptance of philanthropic donations so that:

- Fundraising is carried out in a co-ordinated and efficient manner that reflects well on the University as a whole.
- Donations are only accepted from sources and for purposes acceptable to the University.
- Donations are accurately and comprehensively recorded, and documentation relating to the acceptance of a gift is acceptable from a legal and statutory perspective.
- Donor relationships are sustained in an appropriate manner after a gift has been received.
- The University complies with charity law.
- The reputation of the University is maintained.

Definition of a donation: A gift which does not confer full or partial ownership of a deliverable, financial benefit, or control to the funder in return for the funding. The gift must be owned in full by the receiving institution once it is received (source: Ross CASE survey 2013-13).

It is not always easy to differentiate a donation from a research grant or from sponsorship. The following general principles apply in relation to donations:

- The initiative for the project tends to come from the organisation receiving the funds.
- The results of the work have no commercial value for the donor.
- The recipient of the donation determines the ownership of the research and any intellectual property arising.

If an offer of support appears to fall between a donation and research grant or sponsorship, it is important to seek advice from CUDAR at the earliest opportunity so that the funds can be accepted appropriately by the University. Where benefits or services (use of logos, rights to attend seminars, access to academics) are being provided in return for funding, this may make it inappropriate to treat the funding as a donation and may also trigger trading or VAT issues that need to be resolved with the Finance Division.
‘Donations for Research’: If the donation is philanthropic (so that the donor is not expecting benefits in return for the funding) but for a specific research project, it may be considered as a ‘Donation for Research’. This means that it is recognised as a donation from the donor’s perspective and from the University’s perspective, but is set up on the University’s grants module. The benefit of setting up the funds in this way is that they can then also be counted toward the REF and potentially Charity QR (a mechanism which can help some donations from charities cover overheads where it is not the charity’s policy to do so). CUDAR and ROO can both provide more information about how these types of donations can be structured for the maximum benefit of all parties.

Acceptance of donations: There should be no presumption that any offer of a donation will be accepted by the University. Indeed, it is essential that all discussions with potential or existing donors, and within the University, are strictly without prejudice up to the date of execution of a donation agreement or formal exchange of letters accepting the donation.

Subject to the guidelines set out below, Heads of Institutions may accept donations up to and including £100,000\(^1\) under authority delegated by the Vice-Chancellor. However, the acceptance of gifts greater than £100,000 (including smaller cumulative gifts from one donor totalling more than £100,000) has not been sub-delegated and all such gifts must be accepted formally by the Vice-Chancellor. Before such gifts can be accepted, the Core Procedures described below must have been completed and consultations with the relevant Central Bodies (including Schools) must take place.

Below are examples of instances when a gift does/does not have to be accepted by the Vice-Chancellor:

a. Department receives a £60,000 donation from a donor who has never donated to the Department before – Department can accept gift.

b. Department receives a £90,000 donation from a donor who has never donated to the Department before and the donor completes a Gift Aid Declaration (resulting in an additional £22,500 being reclaimed from HMRC) – Department can accept gift, but needs to notify CUDAR so that the Gift Aid can be claimed.

c. Department receives a £150,000 donation from a donor – Vice-Chancellor must accept gift – notify CUDAR.

\(^1\) This amount does not include any amounts that may be received as Gift Aid. See Appendix 2 for additional information about Gift Aid.
d. Department receives a commitment to donate £60,000 per year for two years – Vice Chancellor must accept gift (because total pledge is over £100,000) – notify CUDAR.

e. Department receives a £60,000 donation from a donor who previously gave £60,000 to the Department – Vice-Chancellor must accept gift (because the cumulative amount given by the donor is now over £100,000) – notify CUDAR.

When accepting a donation, Heads of Institutions are responsible for implementation of the Core Procedures and for consulting with CUDAR for advice and support as appropriate for donations of £100,000 and less.

Note: A Head of Institution who has a personal interest in a potential donation (for example to support his or her own post or research programmes) must notify CUDAR of this potential conflict of interest at the earliest possible stage. The Executive Director of Development and Alumni Relations, consulting as appropriate with the Vice-Chancellor, may require the Head of Institution to limit their further involvement in the acceptance of the donation.
Core Procedures for the solicitation and acceptance of donations

1. Solicitation of donors
The reputation of the University is at risk if prospective donors receive simultaneous proposals from different parts of the University and Colleges. Although many prospective donors have multiple connections with Cambridge, they may feel pressured if they receive approaches from different parts of the University over a short time. Heads of Institutions and other staff concerned with fundraising must recognise these potential conflicts, and take appropriate action to ensure that their own approaches will not inadvertently cut across other relationships with the donor.

Whilst the lead relationship between the prospective donor and the University will often remain with the Head of Institution or an academic colleague, CUDAR (and in the case of donations from the United States, CAm) must be consulted at every stage of negotiating a prospective gift. The University has adopted a Schools-based fundraising model, and each School has one or more dedicated fundraisers. The first contact for any donation should be the appropriate School-based fundraiser at CUDAR (or nominated fundraiser in the case of Non-Schools Institutions) to identify potential conflicts between different institution-led approaches and support co-ordinated fundraising across the University and the College. They will act as a point of reference and will refer on to additional expertise within CUDAR as and when appropriate.

2. Alumni donors – special considerations
It is particularly important for Heads of Institutions to ensure that any approaches to alumni donors comply with the Code of Practice (CoP) agreed with the Colleges. The full text of the CoP is included in Appendix 1. In summary:

- Individuals who have the potential to provide a seven-figure gift, and all trusts, foundations and companies, are considered ‘top prospects’. CUDAR will keep records on these top prospects and semi-annual meetings between CUDAR and each college will take place to monitor the top prospects and agree courses of action. In addition, in between the semi-annual meetings, CUDAR (on behalf of Schools, Faculties, Departments and Non-School Institutions) and the Colleges must inform each other about any opportunities that arise with specific top prospects.

- For all donors who are not considered “top prospects” (ie individuals who have the potential to provide a six-figure gift or less), where the potential donor is an alumnus
or alumna, the Colleges will take the lead in the approach. CUDAR (and by extension the Schools, Faculties, Departments and Non-School Institutions) will not pursue prospective alumni donors with an individual giving capacity of six-figures unless the individual has previously donated at this level to the University or has self-identified their interest in donating at this level to the University. In these instances, CUDAR will consult with the College to ensure coordination.

- If an institution is considering a mass appeal (i.e. a “mail-shot” type approach to alumni, by post, email, phone or any other means), it must consult CUDAR at an early stage for advice as to whether this will be possible.

3. Approval of new activity/posts to be funded
Heads of Institutions and Schools-Based fundraisers must ensure that the relevant School(s) is consulted at an early stage to ensure that any University approvals necessary are in place for any new activity/posts to be funded.

An illustration of the approvals necessary for various activities/posts is included in the Process for Accepting a Gift chart in Appendix 3.

4. Accounting for donations
It is important that all philanthropic donations are recorded on the CUDAR database as well as on University financial systems. The University, as a whole, needs to be able to assess its philanthropic performance year after year and in comparison with other institutions. It is the responsibility of Heads of Institutions to ensure that the donations are accounted for in line with University financial regulations. Details are provided in Chapter 14 of the University’s Financial Procedures Manual.

5. Ethical guidelines
The University Council published ethical guidelines in respect of the acceptance of donations in 2001. These guidelines can be accessed here:
http://www.admin.cam.ac.uk/reporter/2001-02/weekly/5858/6.html

Heads of Institutions are responsible for ensuring that these ethical guidelines are implemented effectively in their institution. Before a donation of up to and including £100,000
is accepted, the Head of Institution must be sure that the donation does not raise ethical or reputational issues, and should record this conclusion on the donation file. If there are concerns or questions, the Head of Institution must seek the advice of CUDAR (or in the case of US donors CAM). Heads of Institutions should also be alert to proposed approaches to prospective donors that may be controversial, and should seek advice from CUDAR as appropriate.

For prospective donations greater than £100,000 CUDAR’s advice must always be sought at an early stage. The Council’s Advisory Committee on Benefactions and External and Legal Affairs (ACBELA) considers all prospective donations of £1 million or more, and any other prospective donations that are likely to give rise to significant public interest, and advises the Vice-Chancellor whether or not the source of funding is acceptable. Where approaches to donors who are potentially controversial (due to their business, reputation or to press coverage) are being considered, the advice of ACBELA must be sought before an approach is made.

The University is obliged by law to report any suspicions of money laundering (i.e. that the funds in question might comprise in whole or in part the proceeds of crime). Specialist advice should be sought from the University’s Legal Services Office in respect of any offers of substantial donations in cash; from parties based in countries associated with organised crime or terrorism; or when, for any reason, the proposed recipient (or their institution) has any concerns in relation to the origin of the funds. Cash donations to the University exceeding the equivalent of €15,000 by a single transaction are prohibited by the University’s Financial Regulations.

Tobacco Funding: Funding from tobacco sources raises specific issues that are covered by an agreement between Cancer Research UK (CRUK) and Universities UK (UUK). The University is party to this agreement. Contravention of its terms would have potentially serious consequences for funding from CRUK for medical research. Heads of Institutions are responsible for ensuring that the terms of this agreement are implemented. Any potential links with tobacco sources should be reported to the Chief Operating Officer of CUDAR or in relation to the US, the Executive Director of CAM.

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2 Due to the duty of the Department to ensure that a donation does not raise ethical or reputation issues, a Department cannot accept a completely anonymous donation, as it will not be able to confirm whether the source of the funds raises any issues. A Department should contact CUDAR in this event so that CUDAR can verify the source of the funds while keeping the donor anonymous with respect to the Department.
Links to the relevant protocol and code of practice are set out below:

Universities UK and Cancer Research UK Joint Protocol on Tobacco Industry Funding to Universities:  

Cancer Research UK Code of Practice on Tobacco Industry Funding to Universities:  

6. Equality and diversity

The University promotes equality of opportunity and the University accordingly encourages giving which is not restricted by reference to characteristics protected under the Equality Act 2010 (such as nationality, gender, age or religion). Targeting funding in a way which directly or indirectly favours a group who share a protected characteristic (e.g. the same nationality) creates issues under the 2010 Act and where such funding is contemplated legal advice should be sought.

7. Purpose of the gift and potential resource implications

Heads of Institutions have a responsibility to ensure that:

- The gift is for purposes that are aligned with the Institution’s and School’s overall strategies and plans.
- Any consequent impact of the gift on the University-funded budget for the Institution has been taken into account and agreed as necessary with the Council of the School and, where appropriate, with the Central Bodies.

8. Cost of project supported

Heads of Institutions will need to ensure that the costs of the programme or project supported by a gift are accurate and, where necessary, take account of any additional overheads/indirect support costs that may be incurred either by the Institution or by the School as a result of the increase in activity made possible by the gift.

Heads of Institutions should consult School Finance Managers for advice in this area and, in the case of term-funded academic posts to be supported by donations, CUDAR’s Head of Finance, Operations and HR (who, in consultation with the Finance Division, maintains a standard financial model for calculating the full costs of any specific post).
Such advice should be sought before any costings are put to a potential donor. Heads of Institutions should be aware that many donors resist funding overheads/indirect costs, but may be more sympathetic when the basis and inevitability of these costs is explained. CUDAR can provide advice on these presentational issues in specific cases.

**Cost of endowed posts:** To endow a Non-Clinical Professorship, a donation of £2.5m is required; a donation of £1.5m is required for a Non-Clinical Lectureship. The cost to endow a Clinical Professorship is £3.0m. Where a donor wishes, as part of their gift, to endow a College Fellowship with an academic post which they are also endowing (linked post), the Colleges have agreed a guide price of £0.25m for the College Fellowship element. Donors may also provide support for an attached research fund to support the post.

**Payment by instalment:** Where possible, donors should be encouraged to make their donation by way of a single lump-sum payment. If this is not feasible, then the University should ensure that it is not obliged to enter into any financial commitment before it is in receipt of a sufficient sum to fund that commitment, or that adequate guarantees are in place over the term of the gift. In addition, in the case of an endowment or other commitment which is dependent on receipt of the full amount of the donation, the arrangements with the donor should make it clear that the University is not bound to establish the endowment or comply with the commitment until the full amount of the donation is received. In addition, the arrangements with the donor should clarify what the University may do with funds received from the donor in the event that it receives only a portion of the funds which have been committed to it.

9. **Gift Aid and tax efficient giving**

It is important to maximise the value of gifts through tax-efficient giving. In the case of almost all donations made by UK tax payers, the University can recover the basic rate of tax (in the current tax year, 25p in every £ donated) from the Government. If the donor is a higher rate or additional rate taxpayer, they are entitled to claim further tax relief in their self-assessment return. It is important that individual donors are asked to make a Gift Aid declaration at the time of their pledge. Further information about Gift Aid is set out in Chapter 9 of the University’s Financial Procedures Manual.

CUDAR is responsible within the University for recovering Gift Aid for all University institutions. For donations of up to and including £100,000 Heads of Institutions should ensure that Gift Aid is being used wherever possible, and ensure that CUDAR is involved so
that processing can occur correctly. CUDAR’s Head of Finance, Operations and HR can provide more specific advice. Please see Appendix 2 for more information on Gift Aid.

The Gift Aid declaration is downloadable from:
http://www.admin.cam.ac.uk/offices/finance/forms/giftaid/giftaid.pdf

Gifts from US taxpayers are encouraged to be given by the donor to CAm. This enables US donors to claim full tax benefits from the United States Internal Revenue Service. The Trustees of CAm meet monthly to decide how to allocate donated funds, taking into account the donor’s wishes. CAm donates several million dollars each year to the University and the College.

For gifts from Canada, CUDAR should be consulted for advice. Donors from other tax jurisdictions should be directed to seek advice from their own financial advisers.

10. Donations received in foreign currency
Where a Department is expecting a donation in a foreign currency, CUDAR’s Head of Finance must be consulted in advance to establish appropriate mechanisms for accepting the donation.

11. Non-monetary donations
It is the University’s general practice to realise any non-monetary gifts, e.g. stocks or shares or other specific financial instruments. Occasionally, a donor’s specific direction will be that the asset is retained. In such cases, CUDAR and the PRAO will consult the Central Bodies as required for approval. Gifts of works of art or books are often retained by the University and added to its collections. Proposed gifts of property or shares in private companies need to be carefully considered, because they may not be easily realisable. CUDAR should be informed if such a gift is contemplated, and will consult the Head of the PRAO and the University’s Director of Finance for advice on acceptance.

If the form of a donation or legacy may consist of real property, CUDAR should be informed at the earliest opportunity and the advice of Estate Management will be sought on whether the asset should be retained or sold.

Gifts-in-kind to the University’s collections should also be dealt with under the procedures described in these guidelines. In particular, where a significant gift is anticipated, the Central
Bodies will be concerned to ensure that the resource and risk implications are fully considered before the donation is accepted.

12. Donation agreements
The great majority of donations are for specific purposes agreed with the donor before the gift is made. Since such donations are likely to be held on trust and to impose fiduciary duties on the University, it is important that the terms of the gift are clearly documented.

For gifts of less than £100,000 that are likely to be spent in full over a short period such as a year, an exchange of letters between the donor and the Head of Institution will normally suffice. The letters should clearly set out the amount of the gift, the payment terms, the use to which the gift is to be put, and the acceptance of these conditions. (For gifts that are made through CAm, the exchange of letters will be between the donor and CAm, in order to comply with US tax law.) The letters should also set out any reporting arrangements agreed with the donor (see section 16 below). Copies of these letters should be provided to CUDAR. A Gift Acceptance Letter Template is included in Appendix 4.

13. Trust Funds
Where all or part of a donation is expected to remain unspent for more than a short period (typically more than five years) or to be held as capital (for example, to provide a source of income), it will normally be appropriate to execute a formal contract or trust deed and to establish regulations for the Fund. (The process for this is described in Chapter 13 of the Financial Procedures Manual which deals with University Trust Funds.) If all or any part of a donation of £100,000 or less is expected to remain unspent for more than a short period or to be held as capital or otherwise to raise complex issues, Heads of Institutions should seek the advice of CUDAR in order to agree what form of legal documentation is appropriate.

Long-term investment for five years or longer is usually effected by the purchase of units in the Cambridge University Endowment Fund, a unit fund managed with the aim that the real value of the capital sum should be preserved as well as possible while still generating a reasonable return. Inquiries about these aspects of funds and benefactions should be made to the Head of Central Accounting and Treasury in the Finance Division or to the Head of Finance, Operations and HR in CUDAR.
14. Publicity
Unless anonymity is specified by the donor, all opportunities should be taken to publicise donations so that the donor receives all due recognition and others are encouraged to support fundraising initiatives. The donation agreement or exchange of letters should make explicit reference to publicity, and CUDAR will consult the Office of External Affairs and Communications about any public announcements at the time of acceptance.

15. Freedom of Information (FOI)
As a public authority, for the purposes of the Freedom of Information Act 2000, the University is subject to a statutory obligation to provide on request information that it holds, including information about the source and amount of donations, unless an exemption applies. This obligation needs to be explained to donors. The University’s Freedom of Information Officer, based in the Registrary’s Office, can provide general advice in relation to FOI. Specific advice in relation to donations can be sought from the Stewardship Manager in CUDAR.

If a donor wishes to remain anonymous, or for the amount of his or her donation to be kept confidential, contractually enforceable undertakings on the part of the University need to be included in the donation agreement.

However, a donor should always be advised that the case for keeping any information confidential may diminish over time, and it may not be possible to keep information confidential indefinitely.

16. Stewardship of donors
Ongoing stewardship of donors is vital. It is good practice to establish a relationship between an institution and its supporters via events, open days and inclusion on mailing lists for newsletters, etc. Continuous proactive stewardship of donors is important to the University’s overall standing with donors, and is key to securing existing donors’ support amongst their peers and for further gifts.

For donations of £100,000 or less, the Head of Institution is responsible for ensuring that the donor receives appropriate reports or newsletters during the lifetime of their gift, and for larger donations, financial information on the expenditure supported by the donation, unless explicitly directed by the donor. There are two exceptions to this allocation of responsibility:
• Where the donor has made multiple gifts to the University totalling more than £100,000, CUDAR and CAm will be responsible for ensuring that overall good stewardship practice is being followed.

• Where a formal trust fund under University Ordinance has been established, CUDAR will be responsible for producing and sending formal financial reports in line with the policy established by the Joint Committee on Development (JCD).
APPENDICES

1. Code of Practice with the Colleges – for alumni and College donors
2. Gift Aid – Further information
3. Process for accepting a gift
4. Template Gift acceptance letter for Departments
5. Contact list
APPENDIX 1

Code of Practice with the Colleges –

for alumni and College donors
THE CODE OF PRACTICE
for a Collaborative Fundraising Model for Collegiate Cambridge

Note: All references to the Cambridge University Development Office and the Cambridge University Alumni Relations Office (CUDO & CARO respectively), shall be taken to mean the Development and Alumni Relations (CUDAR) office.

In Cambridge, the roles of colleges and the University are complementary, intertwined and mutually beneficial in the provision of teaching and research and in promoting the reputation of Collegiate Cambridge locally, nationally and globally. Philanthropy is a key component of fulfilling this shared mission and collaborative fundraising is an essential mechanism for promoting philanthropy of the highest quality and impact.

This document represents a Code of Practice to be observed by all those involved in fundraising (professionals, academics, volunteers) for Collegiate Cambridge and all its constituent parts and as such should be understood by as wide an audience as possible within the collegiate University.

Throughout this Code of Practice, the term ‘Collegiate Cambridge’ is used to mean the entire University and/or any of its constituent parts that use the University’s name, including Schools, Faculties and Departments, the University's Non-School Institutions, the Colleges, Cambridge in America, UK and overseas charitable bodies linked to the University.

Our Shared Fundraising Objectives
- To maintain the culture of philanthropic giving at Cambridge by engaging as many donors and potential donors to Collegiate Cambridge as possible in a co-ordinated and professional fashion.
- To provide a positive giving experience for donors.
- To maximise giving in support of the mission and objectives of Collegiate Cambridge.
- To establish sustained collaboration between colleges and all aspects of the University in fundraising and alumni relations.

This means:
- Prospective donors should be presented with opportunities that reflect their individual interests and motivations. It is understood that these interests may vary over time.
- Donation agreements should be straightforward and swift to settle.
- Approaches must be coordinated and a positive experience for the donor is paramount.
- Recognition must be proportionate, consistent and meaningful and donors want to understand the impact of their giving.
- Philanthropic giving should be a fulfilling part of a supporter’s lifelong relationship with Collegiate Cambridge.

II. The Roles We Play
All those who solicit donations in the name of Collegiate Cambridge or its constituent parts should endeavour:
- To deliver an aligned alumni relations and fundraising programme for all Cambridge alumni and supporters.
- To encourage giving to all parts of Collegiate Cambridge that speak to a donor’s interests.
- To ensure effective major gift and legacy solicitation for all prospective major donors.
- To deliver on campaign goals and fundraising targets of Collegiate Cambridge.
• To create and promote an environment in which major gift fundraising can succeed in Collegiate Cambridge.

**Colleges**
• To solicit major gifts and raise other funds annually from their alumni and other potential donors to meet the key priorities and operating needs of each respective college.
• To foster the habit of life-long regular giving among alumni and thereby develop the longer-term pipeline of major giving on behalf of Collegiate Cambridge.
• To deliver an alumni relations and communications programme to benefit development of a committed supporter base.
• To continue to examine and review opportunities for collaboration with the University in the determination, communication and funding of needs.
• To collaborate with CUDO and CAM regarding those prospective alumni and non-alumni donors whose individual giving capacity is above the agreed threshold (See Section IV.1) and to share information regarding corporate, trust and foundation fundraising activity, whatever the level of intended gift.

**CUDO**
• To collaborate with the colleges regarding the prospective alumni and non-alumni donors whose individual giving capacity is above the agreed threshold (See Section IV.1) and to share information regarding corporate, trust and foundation fundraising activity, whatever the level of intended gift.
• To work with the Vice-Chancellor and his senior colleagues, staff in Schools, Faculties and Departments and across the University’s Non-Schools Institutions (e.g. University Library, Museums) and interest groups (e.g. sports clubs and societies) to represent their interests and raise major gift funds to meet their agreed priorities in line with the requirements of this Code.
• To collaborate with the colleges to develop and deliver the plan for the next major fundraising campaign for Collegiate Cambridge.
• To support major giving by maintaining centrally-based development resources and processes (e.g. due diligence) to the benefit of all Collegiate Cambridge development staff.
• To be the central and confidential source of up-to-date information on major donors and prospects above the threshold thereby minimizing the risk of two or more constituent parts of the University or any of the colleges making inappropriate approaches to alumni and non-alumni prospects.
• To deliver a varied alumni relations and communications programme to benefit the development of an engaged alumni base.
• To encourage interaction and professional development of Collegiate Cambridge’s alumni relations and fundraising community by organising regular training and information-sharing events, and by providing support, by agreement, to enhance the fundraising capabilities of those colleges with limited means (see Section III.7).

**Schools, Faculties, and Departments**
• To define fundraising priorities across Schools, Faculties and Departments in line with the University’s overall strategy.
• To develop positive alumni relations, e.g. through regular, high-quality, communications.
• It is understood by the Schools, Faculties and Departments that regular mass fundraising solicitations to alumni will normally be undertaken only by the colleges – exceptional cases must first be agreed by the Joint Committee on Development (Section IV).
• To work through CUDO, and in accordance with this Code’s governance guidelines, to identify and cultivate key prospective supporters, and conduct major gift solicitations of key prospective donors in collaboration with CUDO and colleges.
• To continue to examine and review opportunities for collaboration with the colleges in the determination, communication and funding of needs.

Non-School Institutions (e.g. the University Library, Museums) and Interest Groups (e.g sports, clubs and societies)
• To define priorities across Non-School institutions and University-wide resources in line with the University’s priorities.
• To develop positive relations with all those (including alumni) who have an interest or affiliation with those non Schools/University-wide resources for example, through regular, high-quality communications.
• To identify and cultivate key prospective supporters, and conduct major gift solicitation of key prospective donors in collaboration with the colleges and CUDO and in accordance with the governance provisions of this Code.

Cambridge in America (CAm)
• To access philanthropic sources of funding in the United States to the benefit of Collegiate Cambridge within the context of prioritised University and college needs.
• To ensure a coordinated and informed approach to US-based donors that meets their expectations and that emphasises Collegiate Cambridge as a world-class academic institution.
• To identify, cultivate and solicit, as agreed with the colleges, US-based potential major gift supporters of Collegiate Cambridge.
• To collaborate with CUDO and the colleges regarding all major and planned gift activity concerning their alumni and with non-alumni, corporations, trusts and foundations.
• To deliver a varied alumni relations, fundraising and communications programme for US-based supporters to develop a committed supporter base. In each case, these programmes must respond to the needs, priorities and messages of Collegiate Cambridge as well as to the individual interests and motivations of prospective donors.

III. How to Make this Work: Potential Areas of Collaboration
1) Determination and funding of needs, for example:
   a. Linked posts: research and teaching
   b. Graduate support
   c. Potential role of individual colleges in supporting delivery of University strategic priorities
   d. Postdoctoral opportunities
   e. New collegiate entities

2) Setting of and delivering against targets
   a. Joint planning/feasibility/management of priorities
   b. Joint monitoring of fundraising progress/ key performance indicators to measure and highlight success
3) Managing Major Gift Prospects in accordance with an agreed approach to prospect management
   a. Developing strategy for prospects
   b. Proposal development
   c. Key Volunteer management
   d. Reporting of shared fundraising effort and success

4) Recognizing donors and stewardship
   a. Stewardship reporting
   b. Giving reports
   c. Giving Societies/Clubs
   d. Events: cultivation, recognition and stewardship

5) Processes and Procedures
   a. Research and wealth screening
   b. Due diligence and ethical considerations
   c. Gift acknowledgement
   d. Information sharing

6) Alumni / Constituent Communications
   a. Promotion of philanthropy through a strategic approach to communications
   b. Alumni Festival and events

7) Training & Development
   a. A Development Forum for development professionals from across Collegiate Cambridge to support all day-to-day activity.
   b. CCDG and CUDO should, where possible, work together to plan training activities in all areas of the development profession. Inevitably, there will be sessions that are more appropriate for one type of institution than another.
   c. A standing conference, convened by CUDO, co-chaired by the University’s Executive Director of Development and the Chairman of the CDDC, to promote the importance of philanthropy and collaboration in fundraising at highest levels across Collegiate Cambridge. Attendance would be expected by relevant staff in colleges, CUDO, CAm and by other fundraising and related staff in the University. Invitations would also be issued to other key personnel in Collegiate Cambridge to provide a well-informed forum for sharing experience and seizing opportunities.
   d. CUDO will work, by agreement, with those colleges with limited means to enhance their fundraising capabilities.

IV. Governance
1) Collaboration

Collegiate Cambridge has reached agreement on a ‘threshold’ at which point alumni and non-alumni donors become the subject of regular management discussion and reported action.
   a. The proposed threshold is an individual giving capacity of £1 million and above, based on a jointly-agreed net worth/wealth rating methodology. For the purposes
of this Code, individuals above the threshold are referred to as 'top prospects'. This is as distinct from "major gifts", which are defined for the purposes of this Code as donations of six figures and above.

b. Structured semi-annual meetings between CUDO and each college will take place to monitor progress with regard to top prospects and agree courses of action. These will be attended by the Development Director (or equivalent) of the appropriate college and CUDO’s Director of University Development Relations or Chief Operating Officer. They will be supported in their discussion by CUDO’s Manager, Prospect Management Analytics who will prepare the necessary reports, update the database according to joint decisions made, and ensure an accurate information trail exists for follow up. Additional invitees may attend as agreed by both college and CUDO.

c. In cases where the aforementioned group cannot agree on a course of action, the issue(s) at hand will be referred to the Executive Director of Development and Alumni Relations and the Chair of the CDDC for resolution and subsequently, if necessary, to the Vice-Chancellor and Head of House. In the unlikely instance that there is still no agreement, each party who wishes to approach a constituent must commit to full disclosure of progress to the other interested party. Uncoordinated multiple approaches risk complete failure.

d. These formal top prospect review meetings should encourage significant informal, prospect-specific dialogue between major gift fundraising staff in CUDO and the colleges in the intervening six-month periods. As opportunities for appropriate, substantive dialogue with top prospects arise, those involved in major gift fundraising in colleges and CUDO (on behalf of Schools, Faculties, Departments and Non-School Institutions) must inform each other accordingly. No reasonable plan for contact will be refused. However, in the event of disagreement, the procedure articulated above (IV.1.c.) will take effect.

e. Below the agreed threshold, and where the potential donor is an alumnus or alumna, the colleges will take the lead in the approach. CUDO will not pursue prospective alumni donors with an individual giving capacity of six figures unless the individual has previously donated at this level to the University and/or has self-identified their interest in supporting the University. In these instances, CUDO will consult with the relevant college to ensure coordination.

f. Exceptions to the above may be made through application to, and subject to agreement by, the Joint Committee on Development (see below IV.2).

g. In line with its mission to increase major giving from trusts, foundations and companies, CUDO will keep a register of progress with constituents that are subject to approaches and potential approaches by any part of Collegiate Cambridge for reference by fundraisers throughout the institutions of the University and colleges. Approaches by colleges to such bodies will be subject to the same procedure as for top prospects, whatever the level of intended gift.
h. Information on top prospects discussed by CUDO and the colleges is held and updated on a shared resource.

2) The Joint-Committee on Development (JCD)

a. The JCD is co-chaired by the Vice-Chancellor and the Chairman of the Colleges’ Committee. Membership will reflect the various constituents of Collegiate Cambridge to whom this Code of Practice applies. As necessary and appropriate, attendance at the JCD will be open to invited participants who are not formally members under its constitution.

b. The JCD will consider reports on general fundraising progress, with regular assessment of key indicators of performance (new business, cash received, participation rates, opportunities for and experience of collaborative fundraising approaches) by the University and colleges.

c. The JCD will keep the effectiveness of the implementation of this Code of Practice under review and consider representations and recommendations about it. The Code will be formally reviewed each year by the JCD.

d. The JCD considers and decides upon potential exceptions to whom the Code applies. Upon review, the JCD may find that an applicant School, Faculty, Department or Non-School Institution has sufficient potential to have success in fundraising terms without impeding the fundraising success of either Colleges or the wider University. The JCD may grant exception status. This may be time bounded and will be subject to regular review by the JCD. A responsive decision-making process to consider potential exceptions must be determined and articulated by the JCD.

e. The JCD is the body to which serious cases of breach of the code of practice should be referred. Depending on the outcome of the JCD’s scrutiny, it can make recommendations to the Colleges’ Committee or to the University’s Council as appropriate. CUDO or the colleges, as appropriate, must take responsibility for the remedial action that may be regarded as necessary.

Approved by the University Council in May 2013 and the Colleges Committee in July 2013 and implemented in August 2013.
APPENDIX 2

Gift Aid – Further information

**Background**

Under the Gift Aid scheme, if an individual gives a donation to the University and has completed a Gift Aid Declaration, the University is entitled to claim Gift Aid from HM Revenue and Customs.

*Example:*

A donation of £100 using Gift Aid in the current tax year is worth £125 to the University.

**The University is able to increase the value of a donation by 25%.**

**Higher rate taxpayers**

If the donor is a higher rate or an additional rate taxpayer, he/she is entitled to claim further tax relief in his/her annual self-assessment tax return.

*Example one (higher rate taxpayer):*

A donor gives £100 in the current tax year. For a higher rate taxpayer, the gross value of the donation, for that individual’s tax purposes, is £125 and the donor is able to reclaim higher rate relief of £25. Therefore a donation worth £125 to the University has only cost the donor £75.

*Example two (additional rate tax payer):*

A donor gives £100 in the current tax year. For an additional rate taxpayer, the gross value of the donation, for that individual’s tax purposes, is £125, and the donor is able to reclaim additional rate relief of £37.50. Therefore a donation worth £125 to the University has only cost the donor £62.50.

**How it works**

For the gift to qualify for Gift Aid, the following conditions must be met:

- The donation must be a monetary donation (i.e. not a donation in kind).
- The donor must pay an amount of income tax and/or capital gains tax for each tax year (6 April to 5 April) that is at least equal to the amount of tax that all the Charities and Community Amateur Sports Clubs (CASCs) that donor gives to will reclaim on the donations for that tax year.
- A Gift Aid declaration, which includes the donor’s full name and address details, must be made by the donor stating that the gifts should be treated as Gift Aid donations.

Further information on income bands for tax purposes and on donor benefit rules can be obtained from the HM Revenue & Customs website:

Procedure for recovering Gift Aid

For all donations for which Departments would like to benefit from Gift Aid, CUDAR will process the tax claims. CUDAR provides a single processing point for all Gift Aid claims.

To enable CUDAR to make the tax claims, the donations must go through its accounts.

The Department must forward to CUDAR the donation along with the completed Gift Aid Declaration and copies of any relevant correspondence from the donor (please contact Gifts Administration Team at CUDAR – see details below)

CUDAR submits a monthly tax claim, and will distribute the gross amount of the gift (by requesting a journal transfer via Finance Division) after the Gift Aid has been recovered.

Donations can be made by cash, cheque, debit/credit card, standing order or bank transfer or donors may be directed to the ‘giving online’ website located at: http://www.philanthropy.cam.ac.uk/give-to-cambridge

A single Gift Aid declaration is required from each donor for the first gift they make under Gift Aid. That single declaration will cover all future donations from that donor (unless advised that the donor’s tax status has changed).

CUDAR is able to process donations made payable to the University of Cambridge (but not made payable directly to a University Department).

Contacts
If you have any questions relating to Gift Aid please contact CUDAR’s Finance Manager. For other questions regarding donations, please contact CUDAR’s Finance team.

Further Information
Additional guidance on Gift Aid can be obtained from the HM Revenue & Customs website: http://www.hmrc.gov.uk/charities-donors
APPENDIX 3

Process for accepting a gift
Donor has confirmed intention to donate

**Due Diligence Checks**

- Due Diligence to be undertaken by CUDAR
- Has Due Diligence Check been completed?
  - No
    - Has ACBELA approved?
      - Yes
        - Gift needs to be accepted by the VC
      - No
        - Who is RACI?
          - Responsible
          - Accountable
          - Consulted
          - Informed
          - Gift needs to be accepted by the VC
        - Any issues of concern?
          - Yes
            - Due Diligence to be undertaken by Department (see Departmental Due Diligence Check Process overleaf)
          - No
            - Gift can be accepted by Head of Department
- What is the size of the gift?
  - ≤£100k
    - Yes
      - Gift can be accepted by Head of Department
    - No
      - Is the gift cumulatively over £100k?
        - Yes
          - >£1m (or less if issues of concern)
            - Yes
              - Has ACBELA approved?
                - Yes
                  - Gift needs to be accepted by the VC
                - No
                  - Who is RACI?
                    - Responsible
                    - Accountable
                    - Consulted
                    - Informed
                    - Gift needs to be accepted by the VC
            - No
              - Gift can be accepted by Head of Department
        - No
          - Is the gift cumulatively over £100k?
            - Yes
              - >£1m (or less if issues of concern)
                - Yes
                  - Has ACBELA approved?
                    - Yes
                      - Gift needs to be accepted by the VC
                    - No
                      - Who is RACI?
                        - Responsible
                        - Accountable
                        - Consulted
                        - Informed
                        - Gift needs to be accepted by the VC
                - No
                  - Gift can be accepted by Head of Department
            - No
              - Gift can be accepted by Head of Department

**Details of Donation**

- Confirm the following details:
  - Funding is philanthropic (no Sponsorship/VAT/IP/donor benefit issues)
  - What the gift is for
  - What type of gift is it (e.g. spend-down or endowment)?
  - Payment schedule and method (lump sum or instalments)
  - Any other conditions of gift?
  - Key academic contact
  - Does the project have School/University approval?
  - Reporting requirements (if any)
  - Donor recognition requirements (if any)
  - Does a College need to be notified?
- Ensure the donor is happy with these details
- VC Acceptance Letter

**Form of Acceptance**

- Does the gift need a Trust Fund to be established (i.e. for an endowment)?
  - Yes
    - Draw up Trust Fund regulations with LSO and Draftsman
  - No
    - Donation agreement (or donor’s agreement) needed
- Are the terms of the gift complicated?
  - Yes
    - Consider:
      - level of risk/complications
      - whether there are instalments
      - approvals process
      - reporting requirements
    - Due Diligence to be undertaken by CUDAR
  - No
    - VC Acceptance Letter

Updated June 2016
Is the gift for a post or studentships?

Yes:
- Complete the appropriate Donation Agreement from Template
- Consult with LSO as necessary
- Send to LSO for review
- Draft VC letter using template
- Is the gift for a post or studentships?

No:
- Circulate:
  - Trust Fund Regulations / Donation Agreement / Gift Acceptance letter
  - for approval from relevant Key University contacts e.g.:
    - Fundraiser
    - Key academic contact
    - Head of Dept
    - Draftsman (for final approval of Regulations)
    - Legal Services
    - School
- Contact LSO for bespoke agreement
- This process may take several iterations
- Send to donor for approval

Gifts over £100k:
- VC Letters
- Send donation agreements to Registrary’s office for sealing
- Ensure relevant key contacts are copied in e.g.:
  - Key academic
  - Fundraiser
  - Head of School/Department
  - CUDAR Finance

Gifts ≤ £100k:
- Work with Fundraiser and Department to ensure Head of Department sends gift acceptance letter. CUDAR can provide a template/draft to assist.

Stages in blue can be completed before Donation Agreement is signed (if necessary)

Faculty Board/Head of Dept
- School/Syndicate
- All others
- Planning and Resources Committee
- General Board (or GB circular)
- Business Committee
- New/Revised TF Regs and Establishing Lectureships
- Buildings and Establishing Profships
- Discussion
- If remarks made
- If no remarks made
- BC/Council prepares a response
- Publication of Notice in Reporter
- Publication of Report of Council in Reporter
- Publication of Notice of Benefaction (NoB)

Approved
- Ballot
- Not Approved

Stages in blue can be completed before Donation Agreement is signed (if necessary)

Construction of Agreement

University approvals process for the project to be funded (Summary)

Final Steps

Use Settlement Checklist to ensure full process is followed

Gift acknowledgement and/or acceptance:

Gifts over £100k:
- Send VC letters to VC’s office for signing
- Send donation agreements to Registrary’s office for sealing

Gifts ≤ £100k:
- Work with Fundraiser and Department to ensure Head of Department sends gift acceptance letter. CUDAR can provide a template/draft to assist.

Thank you letter and receipt sent to donor once funds have been received.
APPENDIX 4

Template gift acceptance letter for Departments
Gift Acceptance Letter TEMPLATE

ADDRESS
ADDRESS
ADDRESS
ADDRESS

Month/Year

Dear

I was delighted to hear from [name of University’s contact with the donor] of the [amount] donation to support [project name]. It is my great pleasure as [Role title] to thank you, and formally accept your gift on behalf of the University.

[INCLUDE IF INSTALMENTS – Note: If total amount of instalments is over £100,000, donation must be accepted by the VC instead – contact CUDAR.]

I understand that you intend to make the gift in [number] instalments, to be paid as follows: [payment arrangements].

Your gift will be held on trust by the University in a dedicated donation account and the principal, plus any interest earned, will be used to support [project name]. [Include any other terms of gift, such as reporting back to the donor. Note: If there is any question whether the terms are philanthropic, please contact CUDAR.]

Please do not hesitate to contact [name] if you have any queries at all about what is outlined in this letter. [OPTIONAL – INCLUDE IF INSTALMENTS:] I would be grateful if you could confirm your agreement to the content of this letter by counter-signing the enclosed copy and sending it to [name and address].

Thank you again for this generous gift, which will allow/have an enormous impact on [insert details about impact of gift].

Yours sincerely

[Head of Department/Faculty]

cc [Relevant academic]
[Relevant fundraiser] [Please forward a copy of this letter to CUDAR for information]

[OPTIONAL – INCLUDE IF INSTALMENTS:]

Signed by:

[Name of Donor] _________________________________ Date: __________________
APPENDIX 5

Contact information

Central University Contacts

Ceri Benton - **University Draftsman** (Trust Fund Regulations and Notices to be published in the Reporter), Registry's Office, Old Schools, telephone (3)32297, email ceri.benton@admin.cam.ac.uk

Mike Sinclair - **Head of Corporate Accounting and Research Accounting** (Administration of funds), Finance Division, Greenwich House, telephone (3)32350, email mike.sinclair@admin.cam.ac.uk

Paul Mylrea – **Director of Communications** (for media or publicity inquiries), Office of External Affairs and Communications, Old Schools, telephone (7)65539, email paul.mylrea@admin.cam.ac.uk

Cambridge in America (CAm) Contacts

Yun Won Cho - **Executive Director**, 292 Madison Avenue, 8th Floor, New York, NY 10017, telephone +1 (212) 984-0977, email yunwon@cantab.org

Development and Alumni Relations (CUDAR) Contacts

Alison Traub - **Executive Director**, Development and Alumni Relations, 1 Quayside, Bridge Street, CB5 8AB, telephone (3)33161, email alison.traub@admin.cam.ac.uk

Kate Wilson - **Chief Operating Officer**, Development and Alumni Relations, telephone (3)33162, email kate.wilson@admin.cam.ac.uk

Aaron Westfall – **Director of Development**, Development and Alumni Relations, telephone (7)64482, email aaron.westfall@admin.cam.ac.uk

Ian Harris – **Head of Finance and Gift Services**, Development and Alumni Relations, telephone (3)39980, email ian.harris@admin.cam.ac.uk

[Vacant] - **Finance Manager**, Development and Alumni Relations

Rachel Gardner – **Interim Donor Relations Manager**, Development and Alumni Relations, (3)30016, email rachel.gardner@admin.cam.ac.uk

Megan Major - **Settlement Officer**, Development and Alumni Relations, telephone (7)66199, email megan.major@admin.cam.ac.uk

Fundraising Team Contacts overleaf
Schools-Based Fundraisers

Georgina Cannon - Head of Major Gifts – Schools Based, Development and Alumni Relations, telephone (3)30890, email georgina.cannon@admin.cam.ac.uk

School of Arts and Humanities – Vacant – please contact Georgina Cannon

School of Humanities & Social Sciences

Lucy Brazg – Senior Associate Director, Development and Alumni Relations, telephone (3)30044, email lucy.brazg@admin.cam.ac.uk

School of Biological Sciences – Vacant – please contact Georgina Cannon

School of Physical Sciences

Glen Whitehead - Senior Associate Director, Development and Alumni Relations, telephone (3)30112, email glen.whitehead@admin.cam.ac.uk

School of Clinical Medicine

Gary Keegan – Director of Development – Cambridge University Health Partners, Development and Alumni Relations, telephone (3)33167, email gary.keegan@admin.cam.ac.uk

Hugh O'Donnell – Senior Associate Director, Development and Alumni Relations, telephone (3)32577, email hugh.odonnell@admin.cam.ac.uk

School of Technology

Jessica Rose – Senior Associate Director, Development and Alumni Relations, telephone (3)30735, email jessica.rose@admin.cam.ac.uk

University Wide Fundraisers

Trusts & Foundations

Emily Zemke - Senior Associate Director, Development and Alumni Relations, telephone (3)30927, email emily.zemke@admin.cam.ac.uk

University Library

Laura Greenfield – Senior Associate Director – University Library, Development and Alumni Relations, telephone (7)60498, email laura.greenfield@admin.cam.ac.uk