

Gift Acceptance Policy

Approved by the Board of Trustees on 24 June 2019

Next review due by June 2021

1. Policy Scope

- 1.1 Towner Art Gallery was founded in 1920 as a result of a bequest of 22 paintings and a sum of money to establish an 'art gallery for the people'. Towner takes pride in the philanthropic support it receives from donors to ensure that this founding ethos remains at the heart of Towner's mission.
- 1.2 This Gift Acceptance Policy is adopted by Towner trustees to ensure that donations are compatible with the gallery's mission and strategic ambitions. Its purpose is to help Trustees and the gallery's senior executive staff to make clear and consistent decisions regarding the acceptance or refusal of donations. This policy applies to all Towner staff and volunteers. Ultimate responsibility regarding the acceptance or refusal of gifts rests with Towner Trustees.
- 1.3 The Director of Development ensures that day to day fundraising activity is carried out in compliance with this policy, which includes appropriate standards of information gathering and recording, as per the Privacy Notice, solicitation, stewardship, accounting, auditing and internal and external reporting.
- 1.4 This policy sets out the principles on which the gallery will cultivate and solicit gifts and donations, including the criteria used in deciding whether to accept or refuse a gift in order to safeguard its reputation and integrity.
- 1.5 This policy applies to all types of gifts and donations, including cash, pledges, legacy gifts, stocks/shares, artworks, property, gifts in kind and other non-monetary gifts, which are made with philanthropic intent for the benefit of Towner without any expectation of benefit in return. After receipt, the gallery must own the donation in full.
- 1.6 This policy applies to all trustees, staff and volunteers.

2. Gift Acceptance Procedures

- 2.1 The Director of Development is responsible for coordinating fundraising activity to a professional standard. This includes maintaining records of all gifts and donors on the Harlequin CRM database for reporting and auditing, undertaking the highest excellent standards of engagement and stewardship to grow a loyal and committed supporter community and ensuring that gifts to the gallery facilitated by other

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trustees, staff or volunteers are compliant with this policy.

2.2 Towner will actively seek donations on the basis that:

- a) The donation is consistent with the Towner mission and strategic goals
- b) The donor can have no influence over the intellectual freedom and independence of the gallery. This includes having no influence over the process of appointing staff for roles created by their donation, or influence over the gallery's Collection Policy.

2.3 Towner will follow a risk-based approach to undertaking due diligence processes in order to ensure the integrity of the donor and the donation has been rigorously researched and verified. A preliminary screening will be conducted on all gifts between £5,000 and £100,000. Any "red flags" emerging from this initial screening will trigger a more detailed and thorough screening to inform the decision as to whether or not to accept the gift. All donations over £100,000 will undergo a more detailed due diligence process which may include engaging a specialist third party. There will be an annual review of donors and donations who have given over £100,000. The due diligence procedure is set out in Appendix 1.

2.4 Towner will decide whether to accept a donation in accordance with the principles set out in point 2.2. It will not accept any donation which is deemed to have been funded through activities which:

- a) Are unlawful, including any form of theft, fraud, tax evasion, money laundering or terrorist activity, whether in the UK or under the jurisdiction from which the donation is to be made
- b) Violate international conventions that bear on human rights;
- c) Limit freedom of enquiry, or encroach on intellectual freedom.

In addition, Towner will refuse a donation if there is any indication that it will:

- d) Require any action that is illegal, including any form of unlawful discrimination
- e) Seriously damage the reputation of Towner
- f) Harm the gallery's relationship with other donors, supporters or partners
- g) Create unacceptable conflicts of interest for the gallery
- h) Constitute any form of bribery

Additional indicators that would, if present, give Towner cause to scrutinise a potential donation include:

- i) Irregularities in the form of the donation e.g. large cash donations by single transactions, the use of offshore financial mechanisms or unnecessary involvement of third parties in transactions

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- j) The source of the donation being a jurisdiction with high perceived levels of corruption
- k) The nature or level of the gift being such as to create current or future financial liabilities for the gallery

The gallery will also consider whether by accepting the gift, it would attract negative publicity.

2.5 The gallery does not accept wholly anonymous donations. The gallery will however respect the wishes of a donor who does not wish to have their identity published or made known.

2.6 Where the gallery offers to name a part of the building or aspect of its activities in recognition of a donor's gift, the gallery reserves its right to withdraw such accreditation if it subsequently transpires that the source of the funding arose in whole or in part from any activity listed under section 2.4.

2.7 The acceptance of any gifts of the value of £30,000 or more shall be subject to the approval by the Trustees.

3. Responsibility for the acceptance or refusal of donations

3.1 The responsibility for accepting or refusing monetary gifts lies with:

Up to £10,000 – Director of Development

Between £10,000 and £30,000 – Director and the Director of Development

Over £30,000 – Director and Trustees

3.2 The responsibility for accepting or refusing non-monetary gifts such as artworks lies with the Director and the Head of Collections, and all collection accessions should have the agreement of the Acquisitions and Exhibitions Committee trustees as set out in the Collection Gifts Policy.

3.3 Towner will ensure that:

- a) All donations will be applied for the purposes for which they were given, as per the Gift Agreement (produced for all gifts of £5,000 or more), which will be signed by the Development Director and the Director or Senior Manager as appropriate. Donations given through legacy gifts will be applied as described in the legator's will, or for similar purposes agreed with the legator's executors
- b) All stewardship communications with donors will be transparently and truthfully undertaken as stated in the Towner Donor Charter (see Appendix)

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- c) All donor's personal data will be treated lawfully, fairly and transparently as stated in the Privacy Notice (see Appendix) and available on the Towner website <http://www.townereastbourne.org.uk/privacy-cookies-policy>

APPENDIX

1. DUE DILIGENCE PROCEDURE

This procedure details gift consideration process to ensure that the gallery's reputation is not compromised in accepting or refusing a donation. Due diligence involves researching and gathering quantitative and qualitative analysis of publicly available information about the donor, and identifying the source of their funds. This procedure reflects the guidance provided by the Charity Commission as best practice.

Quantitative

- Consideration is given to the legal and regulatory environment of Money Laundering, Bribery Act, Fraud Act and financial compliance.
- Ethical screening is made of the source of funds to ensure that it does not arise in whole or in part from any activity listed under Section 2.4 of the Gift Acceptance Policy.

Qualitative

The non-financial activities of donors are collated to show the balance of negative and positive views of the media and the public drawing on factual information rather than allegation. This collation will show the magnitude and significance of opinion towards any donor activity but does not endorse or promote an opinion. It will show the weight of opinion towards the negative and positive. All data sourced and collated is publicly available and retained with regard to the Data Protection Act, Freedom of Information Act and the General Data Protection Regulation.

The Development Director will conduct due diligence on all gifts over £5,000 and, where necessary, will present the findings to the Director and Trustees for consideration. Due diligence will be conducted before accepting a gift.

The procedural checklist below requires questions that need to be asked of each donation over £5,000 to assist in the decision making process of accepting or refusing a donation:

1. Who is/are the donor/s?
2. What is the source of their funds? Do these give rise to any "red flags"?
3. What relationship does the gallery have with the donors?
4. Are there clear and legitimate reasons why the donor wishes to make the donation?
5. Has an additional identity check been made, particularly with the regulatory bodies that can provide additional information and can help verify information provided by

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the donors? (Include charity number, Companies House number, individuals' date of birth.)

6. Have any public concerns been raised about the donors or their activities?
7. If concerns have been raised, have they been investigated by any authorities? How long ago were they raised and what was the outcome?
8. Has the donation been proposed or arranged via a third party?
9. Has risk assessment or due diligence been undertaken on this party and has it given cause for concern?
10. Is the donation within any rules that apply to the donor?
11. Is the method of payment of the donation to be made transparently and without any "red flags"? E.g. a donation routed through a third party or via an offshore structure might give rise to concerns and should prompt further enquiry.
12. Is the gallery being asked to accept a donation in a manner that puts it in breach of its wider obligations? E.g. in relation to tax, its charitable status or ACE funding requirements?
13. Are the donors or anyone connected directly or indirectly to the donation public officials, foreign public officials or politically exposed persons?
14. Are there any political connections of the donors which could give rise to corruption or wider concerns?
15. Are there risks that donations could be misused or abused?
16. Is there published or other credible evidence that the proposed gift will be made from a source that arises in whole or in part from an activity that is detailed in Section 2.4 of the Gift Acceptance Policy?

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2. OUR DONOR PROMISE

Towner Art Gallery greatly appreciates and values the support of its donors and is dedicated to treating all its supporters with the highest level of care and respect. All members of the gallery's staff strive to conduct themselves with integrity, transparency and accountability to achieve the highest professional standards at all times.

As a valued supporter, we undertake that you will:

1. Be treated by all Towner staff involved with the solicitation and receipt of donations in a fair, transparent, accurate and honest manner in accordance with all applicable laws and the professional code of fundraising ethics and good practice.
2. Receive appropriate and timely acknowledgment, recognition and publicity for your donation, in accordance with your wishes.
3. Be asked in writing for permission to be quoted or profiled in supporter engagement communications prior to publication.
4. Be kept informed of the impact of your gift and Towner's evolving needs and priorities. This includes receiving progress reports on supported activity and invitations to attend relevant events to see first-hand the benefits your support brings to Towner.
5. Be consulted swiftly if your donation cannot be used for its intended purpose and have it repaid if agreement cannot be reached within a short period of time for an alternative use.
6. Be assured that any information you choose to provide us with will be treated lawfully, fairly and transparently in accordance with the gallery's Privacy Notice. (<http://www.townereastbourne.org.uk/privacy-cookies-policy>)
7. Be able to amend your communication preferences or unsubscribe at any time to communications.
8. Be informed whether those seeking donations are volunteers, employees of the Gallery or financial / legal advisors.
9. Be assured that all fundraising communications are truthful, honest and accurately describe the intended and actual uses of donated funds.
10. Be assured that Towner will respond within 10 working days to a complaint about any matter relating to the gallery's fundraising activities.