



FIN15.1 – DONATIONS AND GIFTS: RECEIPT AND ACCEPTANCE PROCEDURE

All College policies and procedures adhere to the guidelines and ethos of Equality and Diversity.

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Date Origin	Date of Last Review	Proposed Date of Next Review	EQIA Date	Responsibility for Review
Dec 2015	February 2022	February 2023	February 2022	Financial Controller

1 Purpose

The purpose of this document is to communicate the College procedure in relation to the receipt and acceptance by the College of donations or gifts of money, land or other property or the receipt of gifts or hospitality by a College employee, or a Board member in that capacity. This Procedure does not relate to any donation or gift being made directly to any College Foundation, or for any recognised body where a separate governance arrangement is required.

Under the Bribery Act 2010, which came into force on 1 July 2011, it is a criminal offence to offer, promise, give, request or accept any gift or hospitality which is, or could reasonably be perceived to be, a bribe. It is also an offence to make a facilitation payment (payments to induce officials to perform routine functions they are otherwise obliged to perform). Individuals found guilty can be punished by up to ten years imprisonment and/or a fine. If the College fails to prevent bribery, we could face an unlimited fine and damage to our reputation.

2 Policy Statement

The College is committed to providing a high standard of service and accountability. An important aspect of this is a policy which protects against fraud and corruption within the College and from external sources. This policy sets out principles in relation to receipt and acceptance of donations, gifts and hospitality, together with approval and recording requirements.

This policy applies to all employees and Board members of New College Lanarkshire. This policy will be reviewed regularly and may be amended at any time.

Accepting the donation or gift

The respective Policy (FIN15) states that the Principal and Chief Executive can accept, as the Accountable Officer of the College, **unrestricted** donations or gifts for approval at the next Board of Management meeting, subject to "Expectations and responsibilities" being met.

The Clerk to the Board will request, from the Chief Financial Officer, a list of donations and gifts received since the last Board of Management meeting. This will be circulated along with the Board Papers for approval at the meeting. If no donations or gifts have been received in the period since the last Board meeting, the Minute will contain a note to that effect.

The Principal and Chief Executive will not indicate the acceptance of **restricted** donations and/or gifts to the donating/gifting party until the matter has been discussed and agreed with either the Board of Management Chair or the Chair of the Finance Committee.

Following approval by either Chair, the third party should be notified of the College's acceptance & the Board should be informed, by the Clerk to the Board, as soon as practicable thereafter.

4 Record Keeping and Accountability

- 4.1 The Financial Controller is responsible for acknowledging charitable donations and gifts, (subject to 6.3 and 6.4, below), for claiming Gift Aid (if applicable) and for maintaining a proper record of the transaction. The Financial Controller will acknowledge all donations or gifts in a timely manner and seeks to do so within 3 working days of receiving a gift, with major donations or gifts being acknowledged, where possible, on the day of receipt.
- 4.2 Donations or gifts received in a department must be immediately forwarded, along with all pertinent information regarding the gift, to the Financial Controller. Such information should include:
- donor's name and address;
 - donation or gift description, including restrictions on use;
 - donation or gift date;
 - exact value of the donation or gift, if known, or approximate value if a gift-in-kind;
 - a brief outline of how the donation or gift was solicited and details of all parties involved.
- 4.3 Heads of Department, Deans and other individuals with an interest in a donation or gift are also encouraged to thank donors in their own capacity.
- 4.4 The Finance Assistant will record gifts in the Donations, Gifts and Hospitality Register and provide a periodic report to the Finance Committee to demonstrate effective operation of the policy.

5 Accounting Treatment

Before the donation or gift has been approved

Until approval is received, the donation or cash gift, or equivalent, should be posted to the suspense account and should not be utilised. If utilisation is required before the next scheduled Board meeting, then temporary approval should be sought from either the Board of Management Chair or the Chair of the Finance Committee on behalf of the Board.

When the donation or gift has been approved

- Once approved, monetary **unrestricted** donations and gifts should be posted to the Income and Expenditure Account and non-monetary unrestricted donations and gifts posted to the Balance Sheet (if appropriate, in accordance with the College's accounting policies).
- Once approved, **restricted** donations and gifts will be posted to the appropriate Balance Sheet account (if appropriate, in accordance with the College's accounting policies). In the case of monetary donations and gifts, this posting will subsequently be released to the Income and Expenditure Account to match the related expenditure.

The posting of monetary unrestricted donations and gifts, will either be to the suspense account (in cases where the related expenditure is expected to occur within the same financial year as the donation or gift) or to a “designated reserve”, in cases where the expenditure is likely to span two or more financial years.

The rules and/or criteria for the disbursement of a restricted donation or gift should be established at the time of the acceptance of the donation or gift and, with the exception of “bursary gifts” (see Policy document), the subsequent disbursement will be controlled and authorised by either the Principal & Chief Executive, Chief Financial Officer or the Financial Controller.

6 Receiving gifts and hospitality

- 6.1 An employee or Board member in that capacity, or any member of their family should not, directly or through others, solicit or accept money, gifts, hospitality or anything else that could influence or reasonably give the appearance of influencing the relationship with that organisation or individual.
- 6.2 Gifts or hospitality may not be accepted, irrespective of value, which might influence or be seen to influence such situations as the outcome of an exam, the acceptance of a student into the College, the award of business (contract) or the use of the College’s Intellectual Property or other assets, or to benefit personally or for the benefit of any person connected to that person.
- 6.3 Unless you have been informed otherwise, you may accept, without the need to have recorded by the Finance department:
 - a gift of nominal value (deemed to be below £25) such as an advertising novelty, when it is customarily offered to others having a similar relationship with that individual or organisation;
 - customary meals or entertainment provided that the expenses are kept at a reasonable level (deemed to be below £50 per person).

If such gift(s) or hospitality recurs within 6 months with an aggregate value greater than £250 (HMRC tax threshold) you must record this on the Donations, Gifts and Hospitality Register.

- 6.4 For the avoidance of doubt:
 - gifts with a value of more than £25 and hospitality expected to cost in excess of £50 should be authorised by your line manager in writing;
 - gifts or hospitality in excess of £100 should be authorised by a Head of Department or Dean in writing;

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- hospitality or gifts in excess of £500 should be authorised by the Principal & Chief Executive.

You must consult your line manager if you have any doubts as to the propriety of any gifts or hospitality, or any doubts as to the limits of your own personal authority.

- 6.5 If an excessive gift or hospitality is found to have been accepted, then your manager will discuss the circumstances with you and agree how to deal with it e.g. a gift can be returned or steps can be taken to ensure that the acceptance of hospitality does not influence a decision or situation in favour of the giver. If excessive gift(s) or hospitality are accepted on more than one occasion or are found to have influenced decisions inappropriately, against College policy (or potentially illegally), then appropriate disciplinary procedures will be followed.
- 6.6 The Finance Assistant will record gift(s) and hospitality in the Donations, Gifts and Hospitality Register and provide a periodic report to the Finance Committee to demonstrate effective operation of the policy.
- 6.7 The Financial Controller must be informed within 1 week of the gift(s) or hospitality being offered or, if you were absent when the offer was received, within 1 week of returning to work.

7 Linked Policies/Related Documents

- 7.1 FIN15 Donations and Gifts Receipt and Acceptance Policy
- 7.2 FIN05 Fraud and Corruption Policy

8 Relevant Legislation/Guidance

- 8.1 Scottish Public Finance Manual

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Version Control

Version	Version date	Sections updated
V1	Dec 2015	Original version of document
V1.1	July 2017	Review. No changes
V1.2	April 2021	Review. New logo, replace AP: Finance with Financial Controller
V1.3	August 2021	Review. New logo, replace VP: Resources with Chief Financial Officer and Heads of Faculty with Deans
V2	February 2022	Review of procedure, thresholds and updated Register (Appendix I)