



DONOR ETHICAL POLICY

April 2018

1 Introduction

- 1.1 SOS Sahel International UK (SOSSUK) welcomes funding, donations and grants from a diversity of lawful sources. These include but are not limited to governments, philanthropic, charitable trusts, companies, corporate foundations, communities and individuals - that help promote its objectives; respect or enhance its reputation; respect its integrity and can be received without additional costs or unreasonable conditions; and can be received with transparency.
- 1.2 This policy sets out the SOSSUK approach to the ethical issues involved in fundraising and donations from all sources. This includes all restricted and non-restricted grants and donations. All new funding (other than from known government agencies and trusts and individuals) is in principle subject to due diligence and ethical review led by the Director whose results will be approved by the board.
- 1.3 The policy describes how SOSSUK will determine whether and under what circumstances to accept such funding as well as the procedures to be followed for the organisation to reach a decision.
- 1.4 The policy has been informed by experiences from other organisations and also good recommended practice available from the Institute of Fundraising.
- 1.5 The policy has been approved by the Board of Trustees of SOSSUK on 17th April 2018.

2 Background

- 2.1 SOSSUK depends on external funding for all of its activities. Working with diverse funders can help SOSSUK find new ways to achieve its core objectives including new ways to achieve impact. As well as consolidating relationships with familiar partners and other like-minded organisations in the UK and beyond.

New funding from new sources has the potential to enable SOSSUK to do work on new projects. Diversifying its sources of income and increasing unrestricted funding will help increase its freedom to develop its own research for new projects and to help manage its financial risks.

3 Principles

- 3.1 SOSSUK will only accept funding/donations that:
 - supports its ability to achieve its objectives
 - does not damage its reputation
 - respects the organisation's integrity

- does not entail unreasonable conditions
- can be received with transparency

4 Exclusions

- 4.1 SOSSUK will not accept funding or donations generated from activities which are unlawful or which violate international conventions on human rights.
- 4.2 SOSSUK will not accept funding that involves any of the following:
- funder/donor influence over its procurement processes or decisions resulting in a conflict of interest
 - funder/donor influence over the conduct of the project or other work or the dissemination of the results of that project where that compromises the SOSSUK core values
 - any form of bribery or incentive to act unlawfully
 - other irregularities in the funding/donations that would compromise SOSSUK's integrity or independence
- 4.3 SOSSUK will not accept funding or donations from the following sources:
- tobacco companies
 - arms manufacturers or traders
 - profits derived from illegal or immoral activities and trading
 - Political Parties
 - where over 10% of the ongoing business activity or, for an investment firm, over 10% of the assets are held in one of the above activities
- 4.4 SOSSUK is unlikely to accept funding that involves any of the following, unless specifically approved by the Board:
- funder/donor influence over staff appointments
 - funding/donor from a jurisdiction with evidence of current high levels of corruption
 - fulfilling conditions that unreasonably compromise SOSSUK's commitment to transparent selection of programme beneficiaries
 - creation of an ongoing financial liability beyond those built into SOSSUK's strategy and budget
 - fulfilling conditions by SOSSUK which are excessively onerous.

5 Funding transparency

- 5.1 SOSSUK will be transparent about the sources of its income. Therefore the organisation:
- will not accept funding that is wholly anonymous (i.e. where the donor will not make their identity known to the charity even on a confidential basis)
 - will only accept funding brokered by a third party with the approval of the board
 - requires full disclosure of any known connection between a potential funder and any member of staff and board
 - will maintain a register of interests recording any such connections

- will extricate itself from the relationship immediately should it accept funding in good faith and subsequently discover that any of the exclusions apply
- reserves the right to publish information about major funders

6 Ensuring funding integrity

- 6.1 SOSSUK will treat funders and potential funders/donors with respect and will provide accurate information about its activities and the purposes for which funds will be used.
- 6.2 The organisation will maintain a list of organisations from which funding and donations are regarded as unproblematic. These will include Government sources in the UK, US and EU; and registered charities in the UK, US and EU. This list will be accessible to staff and board as necessary and will be periodically reviewed and updated as necessary.
- 6.3 In some cases the organisation will require investigation of the potential funder/donor before a decision to accept the funding can be taken. Judgements will be required about potential engagements, potential risks and potential rewards, in particular, the likely impact on the organisation's reputation if the funding/donation is accepted. The level of scrutiny and responsibility for judgement about accepting the funding will depend on the size of the likely funding/donation, its purpose, its source and any conditions sought by the funder/donor. In these circumstances, the impact on the organisation's integrity and reputation may be affected by the nature and proximity of the relationship between the funder/donor and SOSSUK.
- 6.4 Following the initial risk assessment, SOSSUK will collate more detailed information to assess whether the possible donation should be accepted. This involved asking key questions about the potential donor, including:
- What business is the donor involved in and associated with? Does this include industries or sectors inconsistent with our purpose?
 - Has the donor received unfavourable media attention for their actions?
 - Have they been or are they involved in litigation?
 - What is the source of the donor's money? Is it legal and is there any risk that it does not exist or will not actually be available in the future?
 - Are we happy on the completeness and quality of information we have been provided and is it sufficient to enable us to make a defensible decision?
- 6.5 In order to have an effective due diligence SOSSUK will requires appropriate intelligence to support evidence-based decisions. Common search engines will be the starting point. SOSSUK will also in the process, establish whether the sources of data are compliant with data protection legislation to avoid being subject to enforcement action from the Information Commissioner.

SOSSUK will also use other key sources and providers of information i.e.

- publicly available sanctions lists, which include proscribed individuals and terrorist groups;
- Charities Commission
- Companies House;

- The Electoral Register;
- Lexis Nexis;
- Mint UK;

7 Stewarding, auditing and accounting for funds

- 7.1 SOSSUK will steward funders/donors and donations with care, including proper recognition in public documents and invitations to relevant events as well as recognition of the funder's/donor's reputational rights. All funds will be acknowledged with a statement confirming that they will be applied for the intended purpose unless the funder/donor gives consent that the use of the funds rests solely with SOSSUK.
- 7.2 All sums will be included in the scope of SOSSUK's external audit and recorded appropriately in its statutory accounts.
- 7.3 Any donations will be correctly administered by the Finance Manager.

8 Funder agreements

- 8.1 Other than small-scale individual donations via the website or application for funding by SOSSUK, a decision to accept funds/donations will need to be accompanied by a clear written agreement before any funds are received that addresses a number of factors and clarifies the rights, duties and obligations of each party.
- 8.2 Individual donations via the website and/or any appeal for funding through applications will be deemed to be covered by the organisation's fundraising strategy.
- 8.3 Written agreements are likely to be the subject of negotiation. Factors to be specified in the agreement include:
- the nature of the relationship (e.g. financial donation; event sponsorship; or in kind donations)
 - anticipated use of and outcomes from the funding/donation
 - use of the company brand or the individual's name by SOSSUK, including in publicly acknowledging the donation
 - use of SOSSUK's name by the funder/donor
 - duration of the funding relationship
 - ownership of e.g. copyright, intellectual property
 - confidentiality of any data generated as a result of the funding
 - how the relationship will be promoted and publicised, with agreed key messages
 - success criteria and milestones, where relevant