



## Donation Policy

1. Bishop's Stortford College (the College) seeks and encourages charitable donations (donations) from a range of sources including alumni, past and present parents and grandparents of pupils, past and present staff, companies, charitable trusts/foundations, and anyone else with a close interest in the College. These donations may be in the form of money, property, work of art, musical instruments or shares. Donations are defined as philanthropic voluntary income which is owned in full by the College once it is received.
2. Donations are accepted at the College's discretion.
3. Where copyright or intellectual property issues or any other conditions are involved, they must be clearly understood, and it must be ensured that the College can comply with any associated requirements.
4. The College will be transparent about donations received, their sources and purposes. All Development Office communications (working in the name of The Stortfordian Foundation) will make it clear that normally donors will be listed in relevant College publications and on the College website. In cases where a donor wishes to remain anonymous, such anonymity will be respected for all public purposes. However, the College will disclose details of any donor where it is required to do so by law.
5. Where a donor offers to make a restricted donation with conditions attached, the College reserves the right to make the final decision on acceptance or refusal of the donation.

## DONATION PRACTICES

### 1. Naming Guidelines

- 1.1. Donor recognition and in particular the naming of College facilities, as a result of a donation, will require the approval of the Governing Council.

### 2. Campaign Donation Practices

- 2.1. Donations may be committed on a pledge basis.
- 2.2. All accepted donations or pledges received by the College from any source will be counted towards the achievement of the goal.
- 2.3. Pledges to a campaign will be payable during the financial year of the pledge and/or over not more than four additional financial years, unless otherwise agreed by the Committee.
- 2.4. Online donations will be acknowledged promptly and automatically, providing relevant detail for tax purposes. All acknowledgements will conform to the Inland Revenue regulations pertaining to each donation.
- 2.5. A donor recognition plan will be developed by the Development Working Group and ratified by the Governing Council.

### 3. Types of donation that may be accepted by Bishop's Stortford College

#### 3.1. *Cash, cheque or electronic payments*

- 3.1.1. Cheques can be made payable to "Bishop's Stortford College" (UK registered charity 311057)
- 3.1.2. It is sometimes possible for donors outside of the UK to make tax efficient donations. Information on this can be found on the College website.
- 3.1.3. Cheques can be drawn in any currency, so long as the cheque can be presented for payment within one working week of its receipt.
- 3.1.4. *Bank Transfers directly to the nominated Bishop's Stortford College bank accounts clearly referencing the donation*
- 3.1.5. *Card payments facilitated by Stripe through the Stortfordian Foundation Portal or through the College's card reader facilities.*

#### 3.2. *Publicly Traded Securities*

- 3.2.1. Readily marketable securities, such as those traded on a stock exchange, can be accepted by Bishop's Stortford College.
- 3.2.2. Donations of securities will be sold immediately. For crediting and accounting purposes, the value of the securities at the date they are received in an account or registered in

the nominee name of Bishop's Stortford College, will be the tax effective value for the donor.

3.2.3. Brokerage fees, as well as changes in the value of the securities after their receipt, are considered operating costs to the College.

### 3.3. *Unmarketable and/or unquoted securities/investments*

3.3.1. The valuation is the responsibility of the donor; and such donations must be accompanied by an independent qualified valuation of the saleable value.

3.3.2. No commitment for the sale and subsequent repurchase should be made prior to completion of the donation as the transaction might be viewed by HMRC as a sale rather than a donation with adverse consequences for the donor.

### 3.4. *Real Estate*

3.4.1. The College may accept an outright donation (or legacy) of unencumbered property that is approved at the discretion of the Governors.

3.4.2. Unless the College in its discretion decides otherwise, the donor will be responsible for obtaining and paying for (i) proof of title, (ii) an independent appraisal of the fair market value, and (iii) an environmental audit of the property if deemed necessary.

3.4.3. The College will choose the individual or organisation that will provide the environmental audit. Prior to acceptance, a member of staff, Board member, or a member of the Committee may conduct a visual inspection of the property, unless it is located in a geographically isolated area, in which case a local estate agent shall conduct a visual inspection.

### 3.5. *Life Insurance*

3.5.1. The College will accept a life insurance policy as a donation only when the College is named as the owner and irrevocable beneficiary of the policy.

3.5.2. The donor will make donations to the College each year in the amount of the annual premiums which will be paid directly by the College.

3.5.3. If the policy is paid up, the donation will be credited at the face value of the policy.

### 3.6. *Tangible Personal Property*

3.6.1. Donations of jewellery, artwork, collections and equipment may be accepted.

3.6.2. The College will follow all HMRC guidelines in connection with disposing of donations of tangible personal property and filing of appropriate tax reporting form.

3.6.3. The donor is responsible for the cost of any and all qualified appraisals.

3.6.4. The College will sell such tangible property unless the Governors deem the donation to have an educational purpose related to the mission of the College, e.g. such as the use of software.

### 3.7. *Legacies*

3.7.1. Legacies will be accepted so long as they shall enhance the mission of the College, have proper documentation and prove to be more of a benefit to the College than a cost.

3.7.2. The College will accept legacies, including:

3.7.3. Those of a fixed amount, e.g. pecuniary legacies.

3.7.4. Percentage legacies (a portion of the residual estate).

3.7.5. Specific legacies (property or tangible assets).

3.7.6. Residuary legacies (all or part of the donor's property remaining after all expenses, legacies, debt and taxes have been paid).

3.7.7. Contingency legacies (where other beneficiaries may have died or declined the legacy).

3.7.8. Acceptance of each type of legacy will be in accordance with the guidelines in this document for the various types of donations.

3.7.9. The College will give the donor credit for legacies realised.

### 3.8. Non-Fungible Tokens (NFTs) and Cryptocurrencies

3.8.1. It is hypothetically possible to accept NFTs and Cryptocurrency donations however:

3.8.1.1. given the need for full transparency the Governing Council must be able to obtain full detail of the provenance of the gift.

3.8.1.2. Any current or future legal fees or transaction costs for realising the value of the nft or cryptocurrency in cash terms must be borne by the donor.

## 4. **Unrestricted Donations**

4.1. Unrestricted donations are those which the donor has given with no specific purpose intended. The Development Working Group may wish to recommend to the F&GPC how any unrestricted donations should be allocated. Where appropriate, the College encourages all donors to make their donations unrestricted.

## 5. **Restricted Donations**

5.1. These donations are restricted by the wishes of a donor to a specific project. The donor's wishes will be honoured, so long as the intention of the donor meets with the approved long-range plans and/or the mission of the College. The basic terms of acceptance are as follows:

- 5.2. The College will not assume any management responsibility for a proposed donation prior to the completion of the donation.
- 5.3. All costs or fees associated with donations other than cash and marketable securities must be borne by the donor.
- 5.4. In some cases, it will be appropriate to have a signed contract between the donor and the College for a donation (other than for cash or marketable securities) and the purpose for which it is intended.

## **6. Endowment Donations**

- 6.1. Endowment funds may be restricted, expendable or permanent.
- 6.2. The existing endowment funds of the College will be considered permanent funds. A portion of the income from the capital will be spent on the College, with the remaining portion being reinvested in the endowment to help preserve the existing capital from inflation. This will ensure that the real value of all donations will live on in perpetuity and allow income for College spending to gradually grow over time.
- 6.3. It shall be the recommendation of the Finance Committee as to what percentage of the endowment's income will be spent and what will be re-applied to the principal so that the endowment keeps pace with inflation.
- 6.4. Only in extraordinary circumstances, and with Governing Council approval, shall the principal of the endowment be used.
- 6.5. Endowment funds may be given for any purpose: for example, bursaries, teacher training or specific capital projects.