

INTRODUCTION

The purpose of this policy is to enable LTC (LTC) to have a clear and consistent ethical policy in relation to fundraising.

Irrespective of any internal delegation procedures within LTC, the ultimate responsibility in respect of fundraising practices rests with the legally appointed Board of Directors.

The first part of the policy statement will deal with the general governance and ethical position of LTC in relation to fundraising and specifically acceptance/refusal of donations while the second part will deal with our relationship with business, the most common area where ethical issues arise.

The Charities Act 2009 provides guidance in relation to this. However, there are other relevant legal principles that the Board and their advisors should ensure are met when deciding whether or not to accept donations.

The law requires trustees, in deciding whether to accept or refuse a particular donation, to consider which course will, taking and overall view, be in the charity's best interests. The law allows practical and ethical factors to be considered as long as they are ones that are likely to affect the interests of the charity.

Given the difficulties of predicting all the various scenarios that may arise, this policy seeks to provide some general guidance.

The overriding principles are that LTC will:

- Conduct all fundraising within the law
- And not damage LTC's good name in the pursuit of raising money
- In line with our mission statement fundraising methods will never be allowed to exploit our trainees or staff or to compromise their situation or reputation.

The first of these overriding principles are a given and may lead to external sanction if fundraising is conducted outside the law. The second principle is an internal matter for LTC and is at the core of this paper.

A. Establishing a policy on the acceptance/refusal of donations

A clear policy on the acceptance/refusal of donations is important for all charitable organisations. Such a policy, acceptable to all those associated with LTC and agreed formally by the Board of Directors will:

- Ensure compliance with legal regulations where appropriate

- Clarify the legal obligations with regard to the acceptance/refusal of donations
- Avoid confusion as to who has the authority to take decisions in differing circumstances
- Help to ensure that decisions are not made on an ad hoc basis but are grounded in the mission and agreed objectives of the organisation
- Provide a clear objective standard against which external regulatory bodies can judge the actions of the charity in cases of potential or actual dispute
- Provide a clear, unambiguous policy statement making decisions intelligible, easier to justify and credible to the public at large
- Protect the reputation of the charity against adverse public reaction from existing or potential supporters

POLICY FOR THE ACCEPTANCE/REFUSAL OF DONATIONS

- I. Responsibility for all decisions rests with the legally appointed Board of Directors of LTC.
- II. The Board will at all times endeavour to take all decisions relating to the acceptance/refusal of donations “in the best interests of LTC.”
- III. The Board will aim to demonstrate that they have acted “in the best interests of LTC” irrespective of any individual or collective personal interest or predilection, in each and every case.
- IV. The Board will be particularly careful when refusing donations based solely on the grounds of expediency, as judged by themselves.
- V. The Board will derive no personal benefit (individually or collectively) from donations, loans or other material support offered to LTC. Where material personal benefit is tied to support, the support, the benefit, or both will be declined.
- VI. Where it is clear that the activities of a donor are contrary to the objectives of LTC, the agreed policies of LTC, or to the beneficiaries of LTC, the Board may decide to refuse a donation.
- VII. Where it can be clearly shown that the cost to LTC of accepting a donation will be greater than the value of the donation itself, the Board may decide to refuse the donation.
- VIII. Where the offer of support is dependent upon the fulfilment of certain conditions placed upon LTC, the Board have the right and may decide to refuse that support.
Such cases might exist where:
 - Any condition linked to the support is, in itself, contrary to the objectives of LTC
 - Any condition linked to the support is regarded as unreasonable in relation to the nature of the support in terms of its size or impact on the work of LTC
 - Where conditions linked to the support will divert LTC from pursuing its current objectives, or work priorities as a necessary result of the fulfilment of the conditions alone
 - Where the conditions linked to the support tie the funds and/or property offered to a specific activity, that activity must itself be.

- a) Charitable in nature
- b) Within the scope of legitimate action permitted by the charitable objects of LTC and the powers granted to achieve those objects and
- c) Be practically achievable by LTC

IX. Where an offer of support is itself dependent upon LTC first spending its own money or resources in order to facilitate the execution of the original offer of support, great care will be taken by the Board to avoid placing charitable assets under undue and inappropriate risk.

X. Practical considerations might mean that an otherwise acceptable donation must be refused.

Such cases might exist:

- Where support is tied to a particular project or activity which whilst reflecting the charitable objectives of LTC, is nevertheless impractical, given the current standing of the organisation.
- Where the support is presented in an unconventional manner and the cost of processing the donation exceeds the value of the donation.
- Where the support consists of goods, services, or property which LTC cannot lawfully use, convert, exchange or sell in direct support of its charitable objects.

XI. Where a change in the donor's circumstances prompts a request for the return of all or part of the donation, great care will be exercised by the Board.

XII. On occasion, the Board may wish to refuse a donation, or delay its acceptance, with a view to inviting the donor to make the gift in a more tax efficient manner.

B. RELATIONSHIP WITH BUSINESS & CORPORATE PARTNERSHIPS

The purpose of this section is to enable the staff and management within LTC to make clear and consistent decisions regarding the formation of partnerships with the corporate sector.

The fundraising strategy for LTC refers to the formation of partnerships with the corporate sector. All our relationships with the corporate sector will need to be guided by our commitment to helping young people achieve their full potential. Partnerships with the corporate sector must be formed with great care and due consideration should be given to their potential effects on young people at risk in Ireland.

At the same time, opportunities for corporate partnerships are being created by the:

- Widening role of the private sector in civil society
- Growth in mutually beneficial alliances between the corporate and voluntary sectors
- Increasing potential to secure corporate support for our work
- Ability of companies to promote our services to a wider audience

Irrespective of any internal delegation procedures within LTC, the ultimate responsibility in respect of corporate partnerships and all activities arising from them rests with the legally appointed Board.

There is no single, specific statute to guide the Board in law in this area. However, there are relevant ethical and other principles that the Board and staff will wish to consider when deciding whether or not to establish a partnership with a particular company. In addition, the Voluntary Fundraising code arising from the Charities Act 2009 offers high level guidance.

Definitions:

For the sake of clarity, the following definitions apply in this paper;

The “Corporate Sector” means any registered business in Ireland or abroad.

“Corporate Partnership” means a public, active and on-going association with a business, which has been solicited either by LTC or the business and has been established for the mutual benefit of the business and LTC.

Establishing a policy on the formation of corporate partnerships.

A clear policy on the formation of corporate partnerships is important for all charitable organisations.

Such a policy, acceptable to all those associated with LTC and agreed formally by the Board will:

- Clarify the considerations which the Board see as determining LTC's relations with the private sector
- Ensure compliance with legal regulations where appropriate
- Clarify the Boards obligations with regard to corporate partnerships
- Avoid confusion within LTC as to who has the authority to take decisions in differing circumstances
- Help to ensure that decisions are not made on an ad hoc basis but are grounded in the mission and agreed policy objectives of LTC
- Provide a clear objective standard against which external regulatory bodies can judge the actions of the charity in cases of potential or actual dispute
- Provide a clear, unambiguous policy statement making decisions intelligible, easier to justify and credible to the public at large
- Protect the image and reputation of LTC against adverse public reaction from existing or potential supporters

While the policy cannot anticipate every situation it can be used as a reference point, against which decisions can be made in the best interests of LTC.

POLICY FOR THE FORMATION OF CORPORATE PARTNERSHIPS

- I. The formation of corporate partnerships is an important element of the fundraising strategy of LTC. Partnerships may be formed as a result of proactive targeting of specific companies or as a result of companies approaching LTC.
- II. A corporate partnership is defined as a public, active and on-going association with a business, which has been solicited either by LTC or the business and has been established for the mutual benefit of the business and LTC.
- III. Responsibility in respect of corporate partnerships and all activities arising from them rests with the legally appointed Board of Directors of LTC.
- IV. All significant new partnerships must be notified and approved by the Board.
- V. Partnerships with corporate partners may encompass a range of activities such as:
 - Mission-related marketing
 - Promotion of LTC brand and services
 - Joint or sponsored events and trips
 - Research projects
 - Sponsorship of aspects of LTC's services
 - Gifts in kind, such as equipment, vehicles, and the use of premises
- VI. Before forming a partnership with a company an assessment will be made by the manager of the potential benefit and the risks attached to the association. This assessment will take account of the following:
 - The financial stability of the company. This may involve scrutiny of the company accounts and an assessment of its financial stability.
 - The reputation of the company. If there are any concerns regarding the public image of the company, they will be considered with regard to any negative effect this could have on the image of LTC – whether or not a negative public image may be justified.
 - Exclusions: Companies whose business includes the following will be excluded from a partnership with LTC because partnerships with such companies will pose a potentially serious threat to LTC's integrity:
 - Manufacturers of appliances the purpose of which is to inflict torture
 - Producers of pornographic material or material which may be judged to be abusive of individuals
 - Publishers of materials which are clearly inimical to the interests of vulnerable people.
 - Companies involved in the nuclear industry

- Any Companies whose activities are contrary to the wellbeing of children as decided by the Board from time to time
- VII. In cases where the results of an assessment indicate that it is unclear whether a partnership with the company in question should be pursued the decision will be taken by the Chair in consultation with the manager, who may refer the matter to the Board.
- VIII. Should regulations relating to charity/corporate partnerships change significantly or new legal obligations come into force the chair will undertake to draw these to the attention of the Board, as appropriate.