



# VSE DONATIONS POLICY



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## Policy Statement / Purpose

Victim Support Europe accepts donations, sponsorship, and legacy gifts from individuals, foundations, commercial and charitable organisations, and government-related funding streams from around the world to support research, educational and training activities, and events consistent with the VSE Strategy, Vision and Mission.

VSE has an obligation to its Board, staff, and other stakeholders to ensure that any funding opportunities pursued will support the advancement of the organisation. VSE must ensure that the source of its donations – and the way in which donations are received and processed – does not undermine the reputation of VSE, or its donors, nor does it create any unacceptable conflicts of interest.

## Scope

This Policy covers the solicitation, acceptance, recording, oversight, and reporting requirements related to all donations and gifts received by VSE.

Whereas there is the potential for controversy if certain gifts are accepted, the organisation has adopted the following Donations Policy.

When considering whether to solicit or accept gifts, VSE will consider the following factors:

- **Values**—whether the acceptance of the gift compromises any of the core values of VSE.
- **Compatibility**—whether compatibility exists between the intent of the donor and the organisation’s use of the gift
- **Public Relationships**—whether acceptance of the gift damages the reputation of VSE.
- **Primary Benefit**—whether the primary benefit is to VSE, versus the donor.
- **Consistency**—is acceptance of the gift consistent with prior practice.
- **Form of Gift**—is the gift offered in a form that VSE can use without incurring substantial expense or difficulty?
- **Effect on Future Giving**—will the gift encourage or discourage future gifts?

All decisions to solicit and/or accept potentially controversial gifts will be made by the Executive Board, or by the Board in consultation with the VSE head office. The primary consideration will be the impact of the gift on the organisation.

## Definitions

For the purpose of this Policy:

***“Donor” and “Donors”*** are defined as any individual, organisation or company, and by extension, their family foundation, group of individuals, funder/partner, sponsor, corporation, and may include government and public corporation if eligible, that make a philanthropic gift, financial or in-kind, to the organisation.

***“Due Diligence Process”*** is a review of information on a prospective donor allowing VSE to assess any concerns and risks that may exist when accepting a contribution. The process involves vetting prospective donors to understand what, if any, risks may be entailed by collaboration with them. The Due Diligence Process is conducted by the VSE.

***“Gift” and “Gifts”*** are defined as any contribution, financial or in-kind, made to VSE that aim to contribute to the organisation’s purposes and activities.

***“In-kind contribution”*** is defined as a contribution of goods and/or services other than property, a financial payment, stocks, bonds or other financial product. It includes, but is not limited to, voluntary labour, donated goods, products or objects, or donated time, services, etc.

## Responsibilities

VSE`s Executive Board is the governing body of the association. Members of the Executive Board therefore have ultimate responsibility for the oversight of all donations or gifts given to the organisation.

The oversight of this Policy is delegated to the Executive Board. The Management Team is responsible for providing regular updates to Board with regard to any donations or gifts accepted under this Policy.

The day-to-day management of this Policy is delegated to the VSE Head office.

The implications of accepting funding from a particular donor is to be considered through the due diligence process outlined below.

## Types of Gifts and Donations

Donations may be accepted subject to a prior review by VSE's head office. The following gifts are, or may be, acceptable (depending on restrictions):

### 1. In-kind services

An in-kind donation is a form of charitable giving of goods or services, other than cash grants. Individuals, corporations, and businesses can make in-kind donations which may include physical property, intangible property (copyrights, patents, and intellectual property), professional services, and rent-free space.

VSE may accept such donations, according to its internal processes on financial and in-kind contributions. However, these gifts must not create a conflict of interest and there should be no risks and additional costs attached to in-kind contributions.

VSE will reject any in-kind contribution which would bring with it untenable financial, reputational or other risks or responsibilities and for which no satisfactory mitigating measures can be put in place. Similarly, VSE will not accept any in-kind contribution which it is unable to lawfully use, convert, sell or exchange to accomplish its activities.

### 2. Legacies and bequests

VSE may accept legacies and bequests. VSE will ask the donors wishing to make a bequest or legacy to execute the appropriate information in their will or testament, naming VSE as a beneficiary under trusts, life insurance policies, commercial annuities and retirement plans.

Legacies and bequests will be received and monitored in the same way as all other gifts covered by this Policy. However, enhanced due diligence will take place after an estate has gone into administration, or when VSE is first notified of a proposed legacy or bequest.

### 3. Life insurance

VSE may accept gifts of life insurance where VSE is named both beneficiary and irrevocable owner of the insurance policy. The donor must agree to pay, before their due dates, any future premium payments owing on the policy.

### 4. Cash, debit/credit card, cheque, PayPal or bank transfer

Cash gifts are acceptable in any form, including by check, money order, credit card, PayPal, or on-line. Donors wishing to make a gift by credit card must provide the card type (e.g., Visa, MasterCard, American Express etc), card number, expiration date, and name of the card holder as it appears on the credit card.

Donations via bank transfer should be made to VSE's main account. Bank details will be made available on request from the donor and will be provided by the Finance team.

## 5. Cryptocurrency

Donations of cryptocurrency such as Bitcoin may be considered, though it is noted there may be issues surrounding such donations.

Factors to be considered include the currency's volatility, marketability, its effect on prudent investment rules, as well as reputational risks, and uncertain regulations. VSE may wish to think about immediate liquidation of such gifts upon receipt, or, alternatively, may choose to encourage crypto donors.

## 6. Tangible personal property

Tangible personal property may include artworks, furniture, books, memorabilia, coin and stamp collections, jewellery, vehicles, and any other personal property items owned by a donor. VSE will examine a potential tangible personal property gift to evaluate the item's financial value, its potential use by VSE, any associated ongoing risks or costs and, if the item will not be used or kept, whether the item could be sold quickly and converted into cash.

The Executive Board shall review and determine whether to accept any gifts of tangible personal property in light of the following considerations:

- Does the property further the organisation's mission?
- Is the property marketable? Are there any unacceptable restrictions imposed on the property?
- Are there any costs related to the property for which the organisation may be responsible?
- Is the title/provenance of the property clear?

## 7. Marketable securities /shares

VSE may accept both publicly traded securities and closely held securities. Publicly traded and marketable securities may be accepted subject to completion of all necessary transfer formalities.

As a rule, publicly traded and marketable securities will be sold upon receipt unless otherwise directed by the Treasurer, in consultation with the Executive Board. Closely held securities, which include not only debt and equity positions in non-publicly traded companies but also interest in limited partnerships and limited liability companies, or other ownership forms, may be accepted subject to the approval of the Executive Board. However, such gifts must be reviewed prior to acceptance to determine that:

- There are no restrictions on the security that would prevent VSE from ultimately converting those assets to cash;
- The security is marketable or likely to become marketable in due course (without imposing any undue costs, administrative or other burdens);
- The security will not generate any undesirable tax consequences for VSE.
- In the normal course of events, every effort will be made to sell non-marketable securities upon receipt.



- The Treasurer in consultation with the Executive Board will make decisions regarding acceptance and sale/retention of closely held securities.

## 8. Real estate (property and land)

Gifts of real estate may include gifts of developed property or undeveloped land. Prior to acceptance of real estate gifts, VSE shall require a structural survey or other similar review to ensure that the real estate offers no significant on-going financial or environmental risks or costs to VSE. The cost entailed in taking on such property, including the survey cost, shall be considered before accepting any property donations.

Gifts of real estate will be subject to the prior approval of the Management Team in consultation with the Executive Board.

Considerations for the acceptance of the Real Estate include:

- Is the real estate useful for the purposes of VSE?
- Is the real estate marketable?
- Are there any restrictions, reservations, easements, or other limitations associated with the real estate?
- Are there on-going costs, which may include insurance, taxes and mortgages associated with the real estate?
- Does the structural survey show that the real estate is in a reasonable state of repair and likely to remain so prior to disposal?
- Does the environmental review or audit reflect that the property is damaged or otherwise requires repair?

VSE may accept a remainder interest in a personal residence, farm, or vacation property subject to the provisions above. The donor or other occupants may continue to occupy the property for the duration of the stated life. On the death of the donor, VSE may use the property or convert it to cash at its absolute discretion.

## 9. Other Gifts

The acceptance of gifts in any other form than those stated above will be considered on a case by case basis.

**IMPORTANT NOTICE: the decision making process is in line with delegated authority levels as mentioned in the financial management procedures paper.**

## Policy, Procedures and Enforcement

### 1. General principles

The VSE Executive Board is ultimately accountable for the donation and gift policy.

The Management Team will take reasonable measures to ensure that the Board is aware of the source of funding for any donations and gifts.

The Management Team will undertake due diligence in line with this Policy to ensure that gifts are used for purposes consistent with VSE's constitution, mission and vision, and that no unacceptable legal or reputational issues are raised by their acceptance

### 2. Due diligence and risk assessment

While present financial levels trigger the commissioning of a due diligence and risk assessment report, there are other factors, which when taken together, would also initiate additional research.

The Due Diligence Process establishes a range of practical steps to be taken by VSE in order to ascertain the source of philanthropic funds; assess whether the donor's objectives align with those of VSE; determine the donor's status, area of activities, membership, governance, sources of funding, constitution, statutes, and by-laws and affiliation; and define the entity's past and current activities in terms of risk factors, such as, for example: health, human, labour, environmental, ethical, business, reputation issues, etc.

The Due Diligence Process ensures that VSE has confidence in its donor; thereby enabling it to identify and manage any associated risks.

The Policy requires that due diligence be conducted on qualifying gifts from any donor. Transparency on the donor's identity and the source of funds used for the donation are an important part of VSE's oversight and are essential to safeguarding its reputation.

Similarly, understanding the potential reputational and financial risks associated with illegal or otherwise nefarious activities by proposed corporate and/or individual partners will protect the organisation's integrity.

### 3. Process for making donations and accepting gifts

The type and amount of the donations and gifts offered will factor in the decision making process:

1. Donations and gifts that falls under 10,000 € (or equivalent) may be recommended by VSE's head office to the Management Team. The Management Team will make the final binding decision.

Donors will receive appropriate acknowledgement, and a receipt, for their donation or gift and they will be given updates on how it has benefited VSE's work, in a timely manner. Such

donations or gifts will be used as per the donor's instructions, or as mutually agreed in an 'Agreement/contract'.

If a gift with agreed restrictions has been received by the organisation, which cannot – for legal reasons – be used as per the original bequest, VSE will seek to use the funds in a manner that corresponds with the donor's original intention. Wherever possible, this will be done in written consultation with the donor.

The donor's right to remain anonymous will be respected, but full details of their gift will be recorded. If a donation is made anonymously, VSE head office will seek to confirm the identity of the donor(s); when this is not possible, and funds cannot reasonably be returned, the gift will be reviewed according to the national law on Money laundering.

If a donor seeks to assert uninvited or undue influence via a gift, or if a donation may cause an unacceptable conflict of interest for VSE, or may impose a planned or unplanned financial liability, the matter will be referred to the Management Team for consideration; the gift or donation may be refused.

2. Donations and gifts over 10,000 euros (or equivalent) but under 50,000 euros (or equivalent) will be recommended to the Management Team by VSE's head office. The Executive Board will make the final binding decision. All of the above remain applicable, in addition to the following:

VSE may require either:

- An agreement/contract to be completed with the donor; or
- Clear written instructions from the donor regarding the scope, direction and purpose of their gift, which VSE will accept formally in writing.

If donations are sent before a VSE representative signs an agreement/contract, or written notification has been finalised in some other acceptable form, this does not constitute VSE's final acceptance of a donation; it may be returned subject to the adjacent terms.

3. For Donations and gifts of 50,000 euros or more, enhanced due diligence checks will be completed by VSE's head office and the Management Team. Due diligence reports will be referred for decision to the Executive Board; when a gift is found to be unacceptable for reasons outlined in this Policy, the gift may be refused or the terms revised. The Executive Board will make the final binding decision.

In all cases, if there is concern that a potential ethical or reputational issue may arise, this MUST be reported to the Management Team by VSE's head office which will consult with the Executive Board. The Board will recommend the acceptance or refusal of a donation or a gift based on the principles of this Policy.

VSE's head office will maintain a list of eligible donor entities, per category, as described above. A funding entity or donor approved for a higher category will automatically qualify for the lower categories; approval should only be required once for any given category.

## Right to Refuse or Return Gifts or Donations

VSE encourages the flow of donation or gifts from a diverse range of national and international sources. All steps will be taken to ensure VSE is compliant with Belgian laws, in particular with Belgian money laundering and anti-terrorism laws and regulations, and that it has satisfied itself that the donations or gifts do not derive from illegal activity or run counter to its principles and core values.

In general, VSE will conduct its Due Diligence Process before receiving gifts with a value above 50.000 euros, but in all cases, VSE shall ensure that it can return a donation or a gift if it is deemed inappropriate.

### 1. Rejection of gifts or donations – criteria

The below-mentioned criteria are among several requirements that may be considered to ensure that the donors are compliant with the present Policy.

VSE will act in accordance with the principles mentioned in the VSE Strategy; however, the organisation will act on its sole discretion and is not required to disclose any reason for refusing or returning a gift or donation.

Assessment will be conducted on a case-by-case basis, but general guidance is offered as to the following types of warnings:

- a. Actual or past non-compliance with laws and/or regulations by donors, for example violation of international conventions, non-compliance with money laundering, tax and corruption laws.
- b. Reputational issues associated with a donor that negatively impact VSE's agenda, notably:
  - Contribution or promotion of violence and hatred (i.e., terrorism, armaments)
  - Contribution to violence or discrimination towards any identity group (people with protected characteristics, gender inequality, racism, or pornography)
  - Contribution to promoting gambling, debt, or risky financial behaviour
  - Allegations of poor corporate practice, particularly with reference to fraud & corruption, labour rights, child labour, sexual exploitation and abuse, or other safeguarding issues.
- c. Specific industry practices that may contribute to violation of human rights.

## Conditions for Acceptance of a Gift or Donation

After the Due Diligence Process, the acceptance of all contributions are subject to the following conditions:

- The acceptance of a contribution does not constitute an endorsement by the organisation of the donor or its related products or services;
- The acceptance of a contribution does not confer on the donor any privilege or competitive advantage;
- The acceptance of a contribution as such does not offer the donor any opportunity for advising, influencing, participating in, or being in command of the management or implementation of strategic or operational activities of the organisation;
- VSE keeps its discretionary right to decline or return a contribution, without any further explanation;
- In the case of a relevant conflict of interest, any offer of a gift or donation, VSE may reject the gift or donation without any further explanation.

## Recognition of a Gift or Donation

For reasons of transparency, VSE shall normally publicly acknowledge all philanthropic contributions and engagements unless the donor specifically requests anonymity.

Truly anonymous donations, which cannot identify the donor, will not be accepted.

While a donor may ask to remain anonymous, their identity must be known to VSE, and they will be subject to due diligence and risk assessment.