

Last reviewed July 2019

Purpose and context

Integrity Action's mission is to help build societies in which all citizens can - and do - successfully demand integrity from the institutions they rely on; therefore, it is important that Integrity Action leads by example by acting with integrity at all times. Indeed, integrity is one of our values and underpins everything we do.

Integrity is especially important when considering the source of funds. The aim of this policy is to provide clarity to all our stakeholders about the criteria we use to decide who we will and won't accept funding from.

In order to ensure the ongoing availability of funds to support its work, Integrity Action aims to maintain a broad base of funders and, in line with our values, we recognise the importance of collaboration and partnership to our work. However, we do not engage in direct public fundraising.

Application

This policy applies to all sources of funding including private individuals, corporations, charities, institutions, foundations and governments.

Funding includes grants, commercial contracts, service agreements, partnership agreements, donations of time and goods and awards/prizes.

Ownership

The CEO oversees implementation of this policy.

Guiding principle

Trustees and staff must act in the interest of the charity in pursuing its objects. A charity can refuse funding only if to accept it would be more detrimental to the charity than rejecting it.

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Acceptance criteria

Integrity Action will not accept funding which:

- is associated with **criminal or unethical behaviour**;
- could **lead to a significant reduction in support** for Integrity Action and so risk a **reduction in resources** available to fund our work over the medium/long term. This includes loss of credibility among our network, loss of staff or the inability to recruit staff or partners;
- **would further the funders own objectives which conflict with those of Integrity Action.** For example, there may be some potential funders whose activities are clearly detrimental to the communities we work with and to accept a donation might assist in giving respectability to the funder and thereby help to promote the continuance of those detrimental activities;
- is **anonymous** – we believe that transparency is a vital component of integrity – we will not accept funding from sources which are unknown to us. We disclose the source and purpose of all material funds in our annual report or on our website;
- **compromises** the independence of Integrity Action – we will not compromise our ability to make autonomous decisions in line with the objects of the organisation;
- has **administrative and/or reporting requirements which place an undue burden** on us. Ideally reporting should be a constructive exercise which encourages us to reflect and document our experiences in a way that will help us to learn and grow;
- has **unrealistic budget expectations**, for example, does not contribute sufficiently to our core costs and allow us to meet our full cost recovery policy.

Procedures

The CEO must approve all new sources of funding.

If a funding offer is turned down the reasons for doing so must be documented and a report provided to the fundraising committee at their next meeting.

Relevant legislation and guidance

- **The Charities Act 1992:** in relation to commercial participators and professional fundraisers.
- **The Charities Act 2011:** in relation to seeking the views of the Charity Commission on whether to accept or refuse a particular donation, or an order to sanction the trustees' dealings with charity property.
- **The Bribery Act 2010:** in relation to bribery offences.
- **Finance Act 2011:** in relation to tainted charity donations.
- **Proceeds of Crime Act 2002:** in relation to suspected money laundering.
- **Terrorism Act 2000:** in relation to disclosures of beliefs or suspicions of terrorism offences.

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- **Institute of Fundraising:** Donations acceptance and refusal policies and processes guidance

Related Integrity Action policies

- Anti-bribery and corruption policy
- Conflict of interest policy
- Full cost recovery policy