

Just take the money...?

Written by Marc Whitmore, Partner at More Partnership, sponsors of the fundraising stream at the IDPE 2019 Annual Conference

'If you take my son, I'll make a gift of £50,000. Here and now,' said the alumni prospect who'd just drawn up to my office in his Porsche. I was barely six months in to my first Director of Development role. It all felt a bit unsavoury from the very outset, but I felt my self oddly unprepared to turn him down. It was so obviously wrong, wasn't it? 'No benefit in consequence of a donation' is at the core of what we do, right? But I'd never really encountered this situation before. I lacked anything more than my gut to go on, was young and in my first job in a school. Perhaps they do things differently here? Not to mention we were at the beginning of a large capital campaign, and my boss – the brilliant and kind Ken Durham – and I were under a great deal of pressure to bring in those early gifts.

I turned the prospect down there and then, but at the end of the day I popped my head round Ken's study door to check I'd done the right thing with my philosophy-loving boss. To my relief, the answer wasn't just 'yes,' it was 'hell, yes: no Head would ever allow that.' And Ken insisted on writing to the alum not only to explain why accepting such a gift would be morally repugnant, but also expressing his disbelief that an alum should even ask the question. I wish I'd kept the letter!

That incident was a real wake-up call for me. In the fifteen years since, I've realised how often questions relating to personal and institutional ethics and values arise. Four recent situations spring immediately to mind:

1. The client engaged in intensive discussions about a large gift with a prospect when the prospect was indicted for wire fraud by the US Securities and Exchange Commission for their part in funding the sale of arms. What do we do – innocent until proven guilty, after all? Should we carry on? Should we pause? Should we withdraw?
2. The client whose Chair of Governors was in a commercial relationship with one of their biggest prospects, whose businesses brought considerable reputational risk to a school. How do we work out what to do? How do we do so without the whole process seeming compromised?
3. The client engaging a prospect whose money had been made during the collapse of the Soviet Union and who is regularly referenced negatively in the press for the way in which they have acquired their wealth. Does that matter? What would the reputational damage be if he wants to be acknowledged for the gift he is proposing?
4. The client whose wealthy donor had invested in a scheme that HMRC subsequently deemed to be illegal and was publicly named when HMRC won the case. Their name

is prominently displayed over a large room in a flagship building. Should we give the money back?

By definition, such problems are messy. They are genuine dilemmas: they pit competing values against one another. They raise issues of reputation, of ethics, of legality and of process, and of the extent to which Governors and Trustees weigh such risks knowingly and in advance. In my view, they require three things from us each as a fundraiser: 1) the awareness that ethical questions arise in fundraising all the time and that it is naïve to think they don't, 2) clarity about our own values and those of the organisation for whom we work, and 3) clarity about how you will resolve such questions – through a process agreed and rehearsed in advance – before you actually need to use it in earnest.

That approach – of ‘mending your roof while the sun’s shining’ – was one of the key lessons from the seminal [inquiry Lord Woolf](#) conducted into the manner in which the London School of Economics handled the question of whether or not to accept a large gift from Saif Gaddafi – Libyan despot Muammar Gaddafi’s son. The 10-year anniversary of the fateful decision that the Council of LSE took to go ahead – ultimately leading to the [resignation](#) of its Director, Sir Howard Davies - will fall on 23rd June of this year.

With that in mind, I’m very much looking forward to the chance to hear Ian MacQuillin’s practical guidance for fundraisers on how to tackle these and related issues at this year’s IDPE Conference on 10/11 June in Birmingham. Ian – Director of Rogare: The Fundraising Think Tank, a part of the Hartsook Centre for Sustainable Philanthropy at the University of Plymouth – has published on the topic before, most notably writing “[Rights Stuff: Fundraising’s ethics gap and a new theory of fundraising ethics](#)” in September 2016.

It’ll be a timely discussion, undoubtedly and if you have any particular examples of ethical dilemmas you’d like me to put to Ian or for us to discuss, please email me on mwhitmore@morepartnership.com. I look forward to seeing you there!