

Directive on Sponsorship and Patronage at EPFL

LEX 1.10.1

of 15th July 2014, status as at 7th December 2022

*The Direction of the Ecole polytechnique fédérale de Lausanne
based on Article 4 par. 3 and par. 34c of the ETH Law,
based on Articles 2 and 34 par. 3 of the Ordinance on accounting and finance of the ETH
Domain,
hereby adopts the following:*

Preamble

The context of international competition, coupled with the fact that the progression of budget resources is failing to keep pace with the growth of EPFL, has led EPFL to develop a more proactive policy to identify new sources of funding, such as patronage and sponsorship, to help finance its missions of education, research and technology transfer.

Such funds may be allocated by contract to general goals, such as funding for research, education or EPFL infrastructure, or to specific goals in line with the achievement of EPFL's missions.

Section 1 Definitions, Scope of Application and Goals

Article 1 Definitions

The following definitions apply

- a. *patronage contract*: a contract by which a natural person or legal entity makes a financial contribution to a general purpose, an initiative or a project, without consideration;
- b. *sponsorship contract*: contract by which a natural person or legal entity makes a financial contribution to a project, deriving certain benefits in terms of visibility (such as a reference to the sponsor's name in the name of a chair or at an event);
- c. *research grant*: a contract by which a natural person or or legal entity makes a financial contribution to a research project, deriving advantages such as a reference to the grantor's contribution in scientific publications resulting from the supported project and/or from making the results of the project available to the public;
- d. *donation contracts*: patronage contracts, sponsorship contracts and research grants.
- e. *donor*: any natural person or legal entity making a financial contribution to EPFL under a donation contract.

Article 2 Personal and Substantive Scope of Application

¹ This Directive shall apply to all EPFL staff members¹.

² It applies to patronage and sponsorship contracts and, subject to the Directive on Grants, Research Contracts and Technology Transfer (DSCRTT, LEX 3.4.1), to research grants.

³ The foregoing is without prejudice to the provisions of the Directive on the Handling of Donations and Sponsorships for Buildings at ETH ([LEX 7.1.0.4](#))

Article 3 Goals

This Directive:

1. sets out the governance of the activities of the Philanthropy service at EPFL;
2. describes the management process for patronage and sponsorship contracts;
3. sets the terms under which EPFL may conclude donation contracts;
4. specifies ethical rules;
5. clarifies rules for archiving.

Section 2 Organisation of the Philanthropy Service at EPFL

Article 4 EPFL Direction

¹ The EPFL Direction approves the strategy for fund-raising which is developed by the Philanthropy Service in line with Art. 6 para. 1;

² It approves all patronage and sponsorship contracts as well as research grants for amounts equal to or exceeding the thresholds set out in the Financial Regulation, Annex 3 ([LEX 5.1.1](#)). It supports 'stewardship'² with donors.

Article 5 Vice Presidents, School Deans and College Directors

¹ All of the Vice Presidents, School Deans and College Directors shall be informed and involved from the outset in any fundraising (patronage or sponsorship) project.

² The Vice Presidents, School Deans and College Directors involved in fund-raising shall be regularly informed, by the Philanthropy Service and the other central services involved, regarding the progress of donor-supported initiatives, the financial situation of those initiatives and any problems that require their intervention..

Article 6 Philanthropy Service

¹ The Philanthropy Service develops a fundraising strategy based on the EPFL priorities defined by the Direction. The Philanthropy Service is responsible for developing and monitoring a relationship portfolio and, together with the EPFL Direction and internal stakeholders, develops a relationship strategy for each donor or type of existing or potential donor.

² The Philanthropy Service is in charge, in particular, of:

1. implementing the fundraising strategy and reporting on it to the Direction;

¹ EPFL staff member shall mean any person with an employment contract with EPFL.

² For purposes of this Directive, the term stewardship includes all service and communication activities related to the management and monitoring of the relationship with a donor.

2. identifying and monitoring relationships with prospective donors;
3. fundraising;
4. putting procedures in place to ensure that the donations stem from legitimate sources, in line with Art. 8 para. 3 of this Directive;
5. managing potential conflicts of interest which may arise between a donor and EPFL staff members;
6. monitoring relationships with donors (stewardship) in line with Art. 10;
7. coordinating the operations of the Philanthropy Service with all stakeholders;
8. monitoring relationships with the donor;
9. managing the information system dedicated to the activities envisaged by this Directive.

As regards patronage and sponsoring contracts, the Philanthropy Service is additionally in charge of

1. monitoring invoicing and the preparation of the annual activity report and financial report together with the beneficiaries (heads of units) and the central services in question;
2. approving the annual activity report and annual financial report prepared by the beneficiaries;
3. managing contacts and the address database;
4. drawing up support proposals;
5. producing “Case for Support” documents.

³ The Philanthropy Service informs the EPFL Direction on a bi-annual basis of fundraising activities and contracts under negotiation.

Article 7 Person in charge of a unit receiving funding

The person in charge of the unit receiving funding from a donor is responsible for fulfilling the contractual commitments, in particular for drawing up the annual activity report and annual financial report, and for referencing the name of the donor in all publications related to the funding if the contract so provides. She or he sends the annual activity and financial reports to the Philanthropy Service, which assists her or him in carrying out these tasks.

Section 3 General Principles

Article 8 Ethical principles

Any donor may contribute to financing an EPFL activity provided that it does not contravene the conditions imposed by the ethical principles set out in Annexes 1³ and 2⁴ or the following principles:

1. the principle of academic freedom shall be systematically observed and is non-negotiable;

³ Annex 1 –Ethical Principles behind the Acceptance of Gifts

⁴ Annex 2 - Principles of Practice for Fundraising Professionals at Educational Institutions

2. the rules and procedures (recruitment, evaluation, etc.) in force at EPFL are non-negotiable;
3. the donations do not stem from illegal activities or activities contrary to the principles of impartiality and independence of research, study and teaching;
4. relations with donors and the activities they support at EPFL must be free of any religious or political connotations.

Article 9 Confidentiality / conflicts of interest

¹ EPFL staff members involved in the management of patronage and sponsoring activities shall respect the confidentiality requested by the donor, including non-disclosure of contracts and of donor contact lists and address lists. The foregoing is without prejudice to the Freedom of Information Act.

² Any conflict of interest shall be addressed. Any use of contacts with donors for personal advantage is prohibited.

³ EPFL staff members involved in patronage and sponsorship activities shall refuse any commission or other advantage.

Article 10 Management of relationships with donors

¹ The donor's interests shall be taken into account in the process of preparing the donation contract, in accordance with the principles set out in this Directive.

² Any question or request by the donor shall be processed promptly.

³ An annual activity report and an annual financial report shall be provided to the donor, unless otherwise provided by the contract.

⁴ The funds received from the donor shall be fully allocated to their designated goal.

Section 4 Information System

Article 11 Data processing

¹ EPFL uses an information system in which personal data can be processed. Sensitive personal data may exceptionally be processed upon receiving the consent of the person concerned.

² The information system is intended for performing the tasks outlined in this Directive; it is notably intended to pursue the goals listed in Article 6 par. 2.

³ The Philanthropy Service and the other EPFL units with a need to solicit funding from third parties can access the information system in order to manage relationships with partners, contacts, payments made and payment history, contracts, the organisation of events, and links with the EPFL community.

Section 5 Contract Management and Reporting Process

Article 12 Drafting and signing donation contracts

¹ Patronage and sponsoring contracts are negotiated and drafted by the Philanthropy Service on the basis of a model contract which is provided by the Director of Legal Affairs.

² Contract proposals as per para. 1 hereof are reviewed, approved and, in final form, signed as follows:

- for contracts under CHF 5,000: the contract is approved and signed by the Head of Unit concerned;
- for contracts between CHF 5,000 and CHF 49,999: the contract is approved and co-signed by the Head of the Philanthropy Service and the School Dean or Vice President concerned;
- for contracts between CHF 50,000 and CHF 249,999: the contract is approved by the Director of Legal Affairs, the Head of the Philanthropy Service, the School Dean or Vice President concerned; the contract is co-signed by the Head of the Philanthropy Service and the School Dean or Vice President concerned ;
- for contracts between CHF 250,000 and CHF 499,999: the contract is approved by the Director of Legal Affairs, the Head of the Philanthropy Service, the School Dean or Vice President concerned and the Vice President for Finance; the contract is co-signed by the President and Vice President concerned;
- for contracts of CHF 500,000 or more: the contract is approved by the Director of Legal Affairs, the Head of the Philanthropy Service, the School Dean or Vice President concerned, the Vice President for Finance and the Direction; the contract is co-signed by the President and the Vice President concerned.

³ Research grants are reviewed, approved and signed in accordance with the EPFL Directive on Grants, Research Contracts and Technology Transfer (DSCRTT, [LEX 3.4.1](#)) and the Matrix of EPFL Financial Transactions 'Responsibilities and Approvals' (Annex 3 of the Financial Regulations, [LEX 5.1.1](#)).

⁴ Those responsible for reviewing, approving and/or signing donation contracts shall follow the rules and procedures set out in this Directive and the ethical principles set out in its annexes.

Article 13 Archiving contracts and opening funds

¹ Original signed contracts are archived by the Director of Legal Affairs, with the exception of research grants which are archived according to the EPFL Directive on Grants, Research Contracts and Technology Transfer (DSCRTT, [LEX 3.4.1](#)) and kept by the laboratory or unit concerned. All original contracts are also digitised and kept in the contract management systems.² Any new donation contract, or any amendment of an existing contract, shall be transmitted without delay to the Controlling Department for the opening of the fund if the amount in question is equal to or greater than 50,000.

Article 14 Report to the donor

¹ The annual activity report is prepared by the person in charge of the unit receiving funding and sent to the donor by the Philanthropy Service, unless otherwise provided by contract.

² The financial report is prepared by the EPFL Controlling Department and sent to the donor by the Philanthropy Service, unless otherwise provided by contract.

Article 15 Dispute management and contract termination

¹ Should a disagreement arise in connection with performance of a patronage or sponsoring contract, the complete file shall be submitted to the Director of Legal Affairs.

² The EPFL Direction, as advised by the Director of Legal Affairs, reserves the right to resile from a patronage or sponsorship contract if major elements should be identified, relating in particular to the integrity of the donor.

Section 6 Final Provisions

Article 16 Entry into Force

This Directive entered into force on 15th July 2014 (version 1), was revised on 1st November 2016 (version 1.1), 1st January 2017 (version 1.2), 15th March 2021 (version 1.3) and 7th December 2022 (version 1.4).

On behalf of the EPFL Direction:

Martin Vetterli
President

Françoise Chardonnens
Director of Legal Affairs

Annex 1: Ethical Principles behind the Acceptance of Gifts

Annex 2: Principles of Practice for Fundraising Professionals at Educational Institutions

Annex 3: Donor Bill of Rights

Annex 1: Ethical Principles behind the Acceptance of Gifts



ETHICAL PRINCIPLES BEHIND THE ACCEPTANCE OF GIFTS

Adapted from: “Ethical Principles Behind the Acceptance of Gifts: Guidelines for UK Higher Education Institution” developed by the Council for Advancement and Support of Education (CASE) with the Ross Group and the 1994 Group of Development Directors. Copyright ©2011. All rights reserved. Used with permission from CASE.

The 10 principles are:

1. Universities should seek philanthropic support which is aligned with their values, strategic goals and financial needs, as a legitimate, sustained and vital component of their income.
2. Ethical guidelines for the acceptance of such gifts in any institution should be available in the public domain.
3. Impartial, independent research, scholarship and teaching are the basis for the furtherance of knowledge. Universities should not accept philanthropic gifts if this is not clearly understood and accepted by all parties.
4. Ultimate responsibility regarding the acceptance and refusal of donations rests with the governing body of each university.
5. Where the authority for the acceptance of donations is delegated to the President and other senior academics or officers, that authority should be explicit. In such case, it is the responsibility of those accepting gifts to comply systematically with their obligation to implement the institution’s detailed ethical policies and procedures on donations.
6. Universities should take all reasonable steps to ensure that they are aware of the source of funding for each gift, and have processes in place to satisfy themselves that the funds do not derive from activity that was or is illegal, or runs counter to the core values of impartial, independent research, scholarship and teaching.
7. Discussions with potential donors that are likely to give rise to significant public interest, or which raise complex questions with regard to acceptability, should be considered at the earliest stage possible by the appropriate decision makers

who should be fully informed of the purpose and the background to the donation and the source of funds.

8. The legal and reputational rights of potential donors should also be considered as part of any due diligence undertaken in assessing the acceptability of a proposed donation. In this regard, a clear distinction should be drawn between rumour or speculation and matters of confirmed fact or legal finding, whilst also accepting that institutions may wish to consider the reputational risks that could be incurred through public perception of any particular donor.
9. Donors must accept and, for significant gifts (as determined by individual institutions), sign appropriate gift agreements to confirm that the management and governance of programmes funded through benefaction rest solely with the university. Individual institutions typically choose, without undermining this core principle, to offer donors opportunities for continuing engagement with the activities that they have funded. Universities should employ their standard procedures relating to recruitment, admissions, hiring, promotion, procurement, management and governance for all research, teaching, outreach, capital development, or student scholarship programmes funded by gifts.
10. Universities should have procedures in place for reviewing and reconsidering previous decisions taken in good faith relating to the acceptance of particular gifts if subsequent events or new information require it. The response to such circumstances should be transparent and proportionate to the particular circumstances.

Annex 2: Principles of Practice for Fundraising Professionals at Educational Institutions



Philanthropic contributions to the EPFL budget are increasingly important. For those at EPFL who are trying to attract new donors and sponsors to support our teaching and research activities, we wish to recall the following principles put forward by an educational fundraiser professionals' organization (CASE) which the EPFL Direction fully endorses.

Principles of Practice for Fundraising Professionals at Educational Institutions

Adapted from "Principles of Practice for Fundraising Professionals at Educational Institutions" by the Council for Advancement and Support of Education (CASE). Copyright ©2005. All rights reserved. Used with permission from CASE.

Philanthropy is a voluntary exchange in which the values and aspirations of donors are matched with the values and aspirations of those they benefit.

The following principles are intended to provide guidance and direction to educational fundraisers and volunteers as they make ethical choices during the philanthropic exchange of values. The principles are not, and cannot be, an exhaustive list of rules to be applied to every decision in which ethical principles may be involved.

Ethical Principles

Personal Integrity

Individuals will:

- be fair and honest, and conduct themselves with integrity;
- not maintain any vested interest in a professionally related activity that could result in personal gain without prior full disclosure and approval;
- respect that their relationships with prospective donors, donors, volunteers, and employees are professional relationships and may not be exploited.

Confidentiality

Individuals will:

- safeguard and respect donor and prospective donor information;
- honor the wishes of an individual and/or organizational constituent with regard to how directory information and/or giving history is used;

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- record and keep only information relevant to cultivation, solicitation, and stewardship;
- identify the source of retained information;
- safeguard prospective donor, donor, and other constituent lists compiled by the Institution as the property of the Institution; these lists may not be distributed or used for unauthorized purposes or for personal gain;
- make every effort to ensure that volunteers, vendors, and external entities with access to constituent information understand and agree to comply with the organization's confidentiality and public disclosure policies.

Public Trust

Individuals will:

- ensure donated funds are used in accordance with donors' intentions;
- obtain specific instructions from a donor before altering conditions of a restricted gift (consistent with applicable law);
- provide prompt, responsive and truthful replies to donor and public inquiry in accordance with the organization's stated policies;
- place the mission and interest of the Institution and its donors above personal gain;
- pursue only gifts that fall within, or advance, the Institution's mission and/or approved priorities.

Disclosure

Individuals will:

- be truthful about the Institution's mission, intended use of funds, and capacity of the Institution to use donations effectively for the intended purpose;
- be truthful and specific about the identification of the organization they represent and their employment or volunteer status;
- understand and disclose their areas of expertise and will give appropriate advice regarding the involvement of the donors' legal, accounting, financial and tax advisors;
- help ensure appropriate and consistent accounting, budgeting, and reporting methodologies.

Compensation

Individuals will:

- not accept commission-based compensation or compensation based on a percentage of funds raised;
- not accept external compensation for the receipt of a gift or information leading to a gift;
- not agree to pay compensation to individuals in respect of a gift or information leading to a gift.

Annex 3 : Donor Bill of Rights



Donor Bill of Rights

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

1. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgment and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

The text of this statement in its entirety was developed by the American Association of Fund-Raising Counsel (AAFRC), Association for Healthcare Philanthropy (AHP), Council for Advancement and Support of Education (CASE), and the Association of Fundraising Professionals (AFP), and adopted in November 1993.

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As a member of CASE organization since 2004, EPFL is fully adopting this statement.