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Clearance Policy

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Responsible Executive:

**Vice-President (University
Advancement)**

Specific Policy Enquiries:

[University Advancement](#)

General Policy Enquiries:

[Policy \(University Secretariat\)](#)

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CLEARANCE POLICY

Preamble. McMaster University has enjoyed a tradition of developing long-standing, meaningful and deep relationships with a variety of funders, the result of which has been a legacy of contributions of cash and bequests to the University to support a number of key areas.

The role of University Advancement (UA) is to support the successful achievement of external funding through a variety of activities and programs that encourage private support. These range from peer-to-peer direct mail, phone (land and mobile), email, web and digital asks, to initiatives and strategies targeting corporate and foundation support.

Central to our ability to achieve this private support is an open dialogue that assures the coordination of these activities. Well-coordinated and timely strategies focused on building relationships with potential funders and asking for gifts in a “funder-centred” way will ensure that the University is able to maximize funding to support its highest priorities.

The purpose of this policy is to provide a framework for such coordination and to promote a positive and collaborative spirit across the University. This clearance policy, consistent with the [Policy Framework for Anyone Undertaking Fundraising Activities At McMaster University](#) ultimately ensures that we are able to identify the interests and coordinate a strategic approach to achieving private support in an appropriate, cooperative and responsible manner.

A glossary of terms is appended to this policy.

Principles and Values: Underlying such a seamless relationship between funder and the University is a set of principles and values.

Principles:

The assignment of prospective funders and strategies for engagement are informed by:

1. The identified interests of the prospective funder.
2. The opportunity to maximize both the size and impact of the potential contributions to or partnership with McMaster.
3. The desire to build and nurture a long-term, highly engaged relationship between the funder and McMaster that that will facilitate continuous funding and achieve a sense of value and deep satisfaction over the funder's lifetime or the duration of the partnership / funding arrangement and beyond.

Values:

The management of prospective funders, including assignment and strategies are informed by the following values:

1. **Funder-centred** - Strategies for the engagement of potential funders to the University should be established and implemented in a way that reflects the aspirations and perspective of the funder. Often external stakeholders have multiple areas of interest that blur the lines imposed by organizational structures.
2. **Best-call strategy** - Engagement strategies for potential funders identified and implemented by the primary relationship manager must be able to properly match the potential funder's interest with the most suitable proposal. The clearance committee must be empowered to decide to clear the funder to the person(s) who have the strongest chance of achieving a positive outcome.
3. **Confidentiality** - Information pertaining to potential funders and proposals are highly confidential and any dissemination to the public or to other McMaster community members may place at risk certain strategic opportunities.
4. **Clarity of roles and expectations** - Clear reporting and communications will enhance discussions between front line staff, their managers, and their colleagues, on decisions related to prospective funder-based actions and strategies. Clear expectations on relationship managers' performance will help maximize the value of potential funder activity.
5. **Collaboration** - The achievement of an integrated funder-centred strategy is highly dependent on different areas of the University working with a collegial and consultative approach to achieve private support. An institution that demonstrates

collaboration is far more likely to be successful in any ask for a donation, grant, sponsorship, partnership, etc.

6. **Communication and openness** - Decisions on assignments, strategies and actions will be clearly and consistently communicated to all relevant constituents within the University in a clear and transparent manner.
7. **Empowerment and mutual respect** - Primary relationship managers should be empowered by senior University leaders to make and implement decisions based on the identified strategy. The successful coordination of strategies also relies on mutual respect enabling actions to be implemented in the best interests of the funder and University.
8. **Engaged prospect management** - Potential funders will be assigned to primary relationship managers who must have a clear and convincing strategy that maximizes the potential of the funding opportunities.
9. **Moves management** - The primary relationship manager must demonstrate continuous progression and movement of the relationship, otherwise the prospective funder is best left without assignment or assignment elsewhere.

Scope. Members of the internal University community who wish to use the University's charitable status, specifically for activities related to private support (including sponsorships, fundraising activities, corporate partnerships, events and lotteries) must seek and receive approval by the clearance committee before proceeding.

Clearance must be sought, regardless of the need for a charitable receipt, for a variety of potential funding sources, including but not limited to individuals, foundations, corporations and other external funding entities for philanthropic gifts, sponsorships, partnerships with private supporters, and fundraising events. It does not include government funding and grants from government agencies. Clearance is not sought for contract research agreements, although it is strongly encouraged in the spirit of building a meaningful, comprehensive relationship between the University and the private funder. For further information on the types of gifts that the University accepts please refer to the [Charitable Giving Policy](#).

Clearance must also be sought for the use of externally recruited front line staff. Please refer to the [Support of Fundraising Activities Policy](#) for information when running a fundraising event.

External funders often view the University as a single, unified entity, and aside from personal tax exemption status, do not necessarily distinguish between what we consider to be “philanthropic” and “non-philanthropic” grants. The ultimate objective of coordinating across campus, from senior leadership to faculty members to front line staff, would be to amplify the potential of a seamlessly integrated approach and message.

Elements of Clearance and Coordination

1. **Primary relationship manager** – each potential funder should be assigned to one, and at most, in special circumstances two primary relationship managers. The primary relationship manager is a member of the front line staff (or a team of staff), who has access to the database and can ensure proper coordination across the University. Other front line staff in an advisory role can be designated “other staff”; and front line staff involved in the stewardship of a contribution or funding can be assigned as “primary steward”.
2. **Systems support** – The University Advancement database provides the means by which the clearance process is documented and made available to the front line staff. It is imperative that front line staff who are assigned to a particular prospective funder keep information on the strategy and implementation consistently updated on the database. As well, it is expected that all individuals working with assigned prospective funders report on activity by recording and submitting contact reports and updates.
3. **Priority setting** - Funder-directed gifts that do not fall directly within the University’s priorities, are reviewed with appropriate consultation by the President, Provost, and/or Deans as applicable prior to acceptance of said contribution. When an individual proposes to raise funds for items not identified as priorities, the clearance committee will evaluate this request, in accordance with the University’s [Gift Acceptance Policy](#) in consultation with the President and relevant academic officers, such as the Provost and Faculty Deans.
4. **Committee support** – University Advancement has established a “Clearance Committee”, a committee represented by key Advancement representatives, to review potential funders identified by front line staff wishing to become the primary relationship manager. The Committee is meant to adjudicate and identify potential issues and conflicts with potential funders to ensure that these are taken into account by the primary relationship manager. If a dispute arises over assignments or strategies at the committee level, the Vice-President (University Advancement) will take the issue to the Provost and Vice-President (Academic) and/or the President and Vice-Chancellor for final resolution.
5. **Clearance requests** – the “clearance” of a potential funder is sought at a phase in the relationship with a potential funder in which a front line staff member wishes to engage in a strategy that would ultimately lead to a contribution. Requests for clearance forms should be made to clear@mcmaster.ca and subsequently forwarded to University Advancement, via the Faculty Dean or relevant senior administrator.
6. **Rationale and Strategy** - In order to achieve “primary relationship manager” or clearance status, the staff must develop and be prepared to share where possible the rationale and proposed strategy. In a case where more than one staff applies for a primary relationship manager status, the Committee will adjudicate based on the background, identified strategy, and level of gift / strategy complexity.

7. **Sponsorship / event requests** - In the case of sponsorships, events, and initiatives where a group of prospective funders is being asked to make small gifts towards a specific projects, special forms may be completed and signed by the relevant leader.
8. **Meetings** – the Clearance Committee should meet on a regular basis to ensure the timely response to clearance requests. Chaired by the Vice President (University Advancement) and guided by the principles and values outlined above, the Committee ensures that input regarding academic mission is coupled with the best advice of professional front line staff to maximize successful outcomes. The Committee consists of members of Advancement Services and Development.
9. **Maintaining clearance status** – during the clearance period, unless an exemption is granted by the Clearance Committee, the primary relationship manager is responsible for ensuring that a strategy involving the prospective funder is implemented through moves management. For this reason, if a primary relationship manager is unable to take any steps towards achieving a successful gift strategy after 12 months, the prospective donor’s name will be automatically flagged for discussion by the Clearance Committee, and clearance may be revoked by the Committee, as indicated in the accompanying **Operational Guide**.
10. **Violations** - The violation of clearance may significantly undermine the potential donor’s relationship with McMaster, as well as McMaster’s ability to accept gifts and issue charitable receipts for donations. Violations will be reviewed by the Clearance Committee and other relevant McMaster leadership and steps may be decided upon and taken to mitigate the risks posed by such actions.

Conclusion: University Advancement is committed to ensuring that coordination is a priority. University Advancement shares the commitment with all leaders, faculty, and staff at McMaster to strengthen the University’s resources and reputation, and we look forward to continuing to work with our colleagues throughout the University.

Appendix: Glossary of Terms

Ask - the interaction between a prospective funder and the University with the intent of achieving a successful funding request within the designated clearance period.

Bequest - a future gift to the University made through a provision in a donor's will.

Clearance - the assignment for relationship development for a well-defined and thorough strategy involving relationship development and ultimately asking for a financial contribution or grant to the University, for an approved time period.

Clearance Period - The period of time for which a prospective funder is assigned to a primary relationship manager for purposes of relationship development and asking for a contribution to the University.

Database - University Advancement maintains a database that stores and tracks alumni, funder, and potential funder information and clearance / assignment information. Relevant information from the database is accessible to select Advancement and University staff.

Front Line Staff - Any staff at the University involved in the development and/or implementation of a strategy to encourage private support from a potential funder.

Funder - A private supporter - individual or organization - that has made a contribution to the University.

Events - Includes charity runs, walks, auctions, golf tournaments etc.

Primary relationship manager - The individual or team of individuals assigned to directly manage the strategy that ultimately results in an ask to the prospective funder for a gift.

Prospective funder - An individual or organization capable of making a contribution to the University.

Solicitation - An ask or a request for funding, typically in the form of a donation, grant or sponsorship.

Sponsorship - the provision of financial support in exchange for marketing/promotional or other benefits to the contributor.
