

# Directive on Sponsorship and Patronage at EPFL

LEX 1.10.1

Of 15th July 2014, status as at 15<sup>th</sup> March 2021

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*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 stagnant budget resources 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 projects.

## **Section 1 Scope of Application and Goals**

### **Article 1 Scope of Application**

<sup>1</sup> This Directive shall apply to all EPFL staff members<sup>1</sup>.

<sup>2</sup> All legal requirements applicable to EPFL and referenced in this document are available on the [polylex.epfl.ch](http://polylex.epfl.ch) website<sup>2</sup>.

### **Article 2 Goals**

This Directive:

1. sets out governance of Philanthropy Services (hereinafter “PHI”) activities at EPFL;
2. describes the management process for patronage<sup>3</sup> and sponsorship contracts;
3. sets the terms under which EPFL may conclude patronage or sponsorship contracts;
4. specifies ethical rules;
5. clarifies rules for archiving.

## **Section 2 Organisation of Philanthropy Services (PHI) at EPFL**

### **Article 3 EPFL Direction**

<sup>1</sup> The EPFL Direction defines the PHI strategy and allocates the resources raised;

<sup>2</sup> It approves all PHI projects and signs all patronage and sponsorship contracts beyond CHF 50,000;

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<sup>1</sup> Staff member shall mean any person with an employment contract with EPFL.

<sup>2</sup> Electronic compendium of EPFL laws, ordinances, regulations and directives.

<sup>3</sup> For purposes of this Directive, the term **donor** refers to both patrons and sponsors.

**Patron** means a natural or legal person providing financial support to a cause for no consideration.

**Sponsor** means a natural or legal person financially supporting projects for a consideration (promotion of its image, products or services).

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<sup>3</sup> It is in charge of 'strategic stewardship' with the donors,

<sup>4</sup> It approves the annual report of PHI activities.

#### **Article 4 School Deans and College Directors**

<sup>1</sup> School Deans and College Directors shall be involved from the outset in any fundraising (patronage or sponsorship) project by their School or College.

<sup>2</sup> As the immediate superiors of PHI beneficiaries, they are in charge of monitoring performance of contracts relating to their School or College.

<sup>3</sup> The EPFL Direction supervises contract performance.

#### **Article 5 Philanthropy Unit**

<sup>1</sup> PHI is in charge of implementing the EPFL philanthropic strategy.

<sup>2</sup> PHI is in charge, in particular, of:

1. implementing and reporting on the philanthropic strategy;
2. identifying and monitoring prospective donors;
3. fundraising;
4. monitoring relationships with donors and sponsors (stewardship);
5. supervising all philanthropy projects;
6. coordinating philanthropy operations with all stakeholders;
7. monitoring contracts with the heads of sponsored chairs;
8. managing contacts and the address database;
9. drawing up project sheets relating to projects or items to be financed;
10. drawing up the annual report of PHI activities;
11. producing professional project portfolios.
12. managing the PHI information system.

<sup>3</sup> PHI shall report to the EPFL Direction on a six-monthly basis.

#### **Article 6 Holder of a sponsored chair / project**

The holder of a sponsored chair / project shall fulfil all contractual obligations, in particular drawing up an annual report and mentioning the sponsor's name in all publications related to the funding.

### **Section 3 Ethics – General Principles**

#### **Article 7 Patrons or sponsors**

Any patron or sponsor may contribute to financing an EPFL activity provided that it does not contravene the conditions imposed by the ethical principles set out in Appendices 1<sup>4</sup> and 2<sup>5</sup> or the following principles:

1. the principle of academic freedom shall be systematically observed and is non-negotiable;
2. the rules and procedures (recruitment, evaluation, etc.) in force at EPFL are non-negotiable;
3. the source of funds shall not give rise to any doubt;

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<sup>4</sup> Appendix 1 –Ethical Principles behind the Acceptance of Gift

<sup>5</sup> Appendix 2 - Principles of Practice for Fundraising Professionals at Educational Institutions

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4. patronage and sponsorship activities shall be free of any religious or political connotations.

### **Article 8 Confidentiality / conflicts of interest**

<sup>1</sup> EPFL staff members involved in the management of PHI activities shall respect the confidentiality requested by the donor, including non-disclosure of contracts and of donor contact and address lists, and shall not accept any benefit or commission.

<sup>2</sup> Any conflict of interest shall be addressed, as well as any use of contacts with donors for personal advantage.

### **Article 9 Management of relationships with donors<sup>6</sup>**

<sup>1</sup> The donor's interests shall be taken into account in all negotiations as well as throughout performance of the signed contract.

<sup>2</sup> Any question or request by the donor shall be processed promptly.

<sup>3</sup> A scientific and financial annual report shall be provided to the donor.

<sup>4</sup> The funds received from the donor shall be fully allocated to their designated goal, in order to constantly preserve the donor's initial enthusiasm for and support of the funded project.

## **Section 4 Information System**

### **Article 10 Data processing**

<sup>1</sup> PHI 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.

<sup>2</sup> The information system is intended for performing the tasks outlined in this Directive; it is notably intended to pursue the goals listed in Article 5 par. 2.

<sup>3</sup> The Information Systems department checks that data processing is being completed in accordance with the FADP and this Directive once per year.

## **Section 5 Contract Management and Reporting Process**

### **Article 11 Approval of fundraising projects**

<sup>1</sup> Any (patronage or sponsorship) fundraising shall be approved by the EPFL Direction prior to making contact with a potential donor whenever the amount of the project or item to be financed exceeds CHF 50,000.

<sup>2</sup> All projects accepted by the EPFL Direction shall be supervised by the Head of PHI.

### **Article 12 Drafting and signing sponsorship and patronage contracts**

<sup>1</sup> Contracts are negotiated and drafted based on a model contract by the Head of PHI.

<sup>2</sup> Contract proposals are reviewed and approved by the School Dean or College Director concerned, the Vice President for Finances and the Director of Legal Affairs.

<sup>3</sup> Only the members of the EPFL Direction are competent to sign patronage or sponsorship contracts from CHF 50,000.

### **Article 13 Report to the donor**

<sup>1</sup> The scientific activity report is prepared by the professor and a copy given to the Head of PHI.

<sup>2</sup> The financial report for the donor is drawn up by the services of the VPF.

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<sup>6</sup> Appendix 3 – Donor Bill of Rights

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**Article 14 Dispute management and contract termination**

<sup>1</sup> Should a dispute arise in connection with performance of a contract in the sense of this Directive, the complete file shall be submitted to the Director of Legal Affairs.

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

**Article 15 Archiving**

Original signed contracts are filed by the Director of Legal Affairs.

**Section 6 Final Provisions****Article 16 Compliance with this Directive**

<sup>1</sup> The Director of Legal Affairs is competent to interpret this Directive.

<sup>2</sup> Furthermore, should the EPFL sustain any damage as a result of non-compliance with this Directive, it may seek redress from the perpetrator of any harmful act.

**Article 17 Amendment of this Directive**

<sup>1</sup> This Directive will be reviewed on an annual basis by the Head of PHI.

<sup>2</sup> Proposed amendments should be submitted to the Director of Legal Affairs.

**Article 18 Entry into Force**

This Directive entered into force on 15<sup>th</sup> July 2014 (version 1.1) and was revised on 1<sup>st</sup> July 2017 (version 1.2) and on 15<sup>th</sup> March 2021 (version 1.3).

On behalf of the EPFL Direction:

Martin Vetterli  
President

Françoise Chardonnens  
Director of Legal Affairs

Appendices: 3

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**Appendix 1 : Ethical Principles behind the Acceptance of Gift****ETHICAL PRINCIPLES BEHIND THE ACCEPTANCE OF GIFT**

*Adapted from "Ethical Principles Behind the Acceptance of Gifts: Guidelines for UK Higher Education Institutions," developed by the Council for Advancement and Support of Education (CASE) with the Ross and 1994 Groups 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 President and other senior academics or officers, that authority should be explicit and the responsibility of those accepting gifts to implement the institution's detailed ethical policies and procedures on donations must be clearly understood and consistently applied.
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

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8. who should be fully informed of the purpose and the background to the donation and the source of funds.
9. 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.
10. 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.
11. 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 the subsequent availability of additional information require it. The response to such circumstances should be transparent and proportionate to the particular circumstances that have arisen.

## Appendix 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.

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## 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.

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**Appendix 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.**