

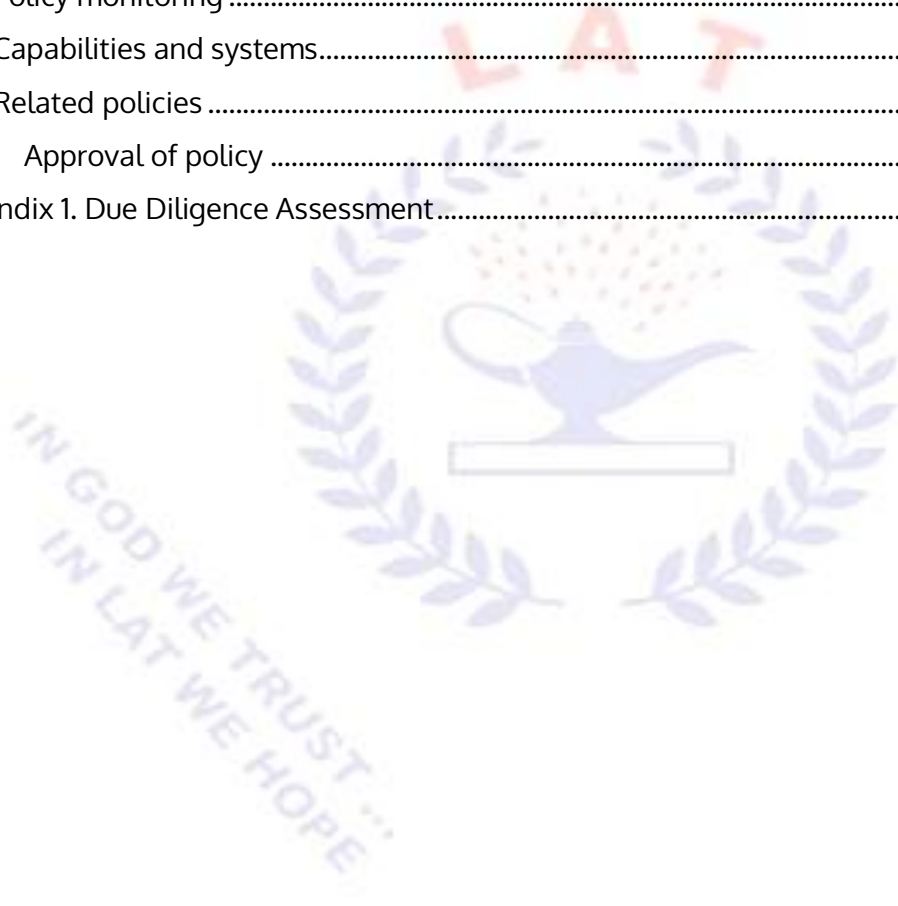
Lesotho Association of Teachers (LAT) Ethical Fundraising Policy and Guidelines



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1. Background

Delivering effective and impactful outcomes in our work is dependent on raising funds and working in partnerships. Through the funding that we secure, our aim is to ensure that we:

- cover the full costs of delivering high-quality, impactful work,
- protect our staff and the communities involved in our work from harm,
- manage and mitigate risks as cost-effectively as possible,
- ensure our financial sustainability, with enough reserves to respond to risks and opportunities that arise.

We actively seek financial support and partnerships with external organisations and individuals to achieve shared objectives. However, it is vital for us to maintain our independence and not allow any funding relationship or partnership to bring our organisation's name into disrepute.

2. Purpose and scope of the policy

The purpose of this policy is to ensure that financial support and partnerships for the furtherance of the organisation's objectives, and to provide transparency regarding the identity of funding sources and partners, thereby avoiding any suspicion of inappropriate influence or conflicts of interest concerning the organisation's activities. Furthermore, it is essential that the organisation does not expose itself by accepting financial support or entering into partnerships with questionable or inappropriate sources. It sets out:

- why it is important to have a funding/partnership acceptance or refusal policy,
- key policy statements,
- the processes we use to ensure that this policy is properly implemented.

Scope: This policy applies to all staff involved in raising funds and/or developing partnerships. It relates to all formal interactions with organisations and individuals who are, or could potentially, provide financial support or work in partnership with us to achieve shared objectives.

3. Why it is important


Having a policy and implementation process ensures that the organisation actively manages risks associated with accepting and refusing financial support or entering into partnerships. It also enables the organisation to express its values, how those are relevant to its objectives, and how certain donations or partnerships could be more likely to inhibit the organisation's pursuit of its objectives. Having a policy that clearly lays out the organisation's position will ensure that decisions made on whether to accept or refuse financial support, or enter into partnerships, are made consistently and transparently.

For these reasons, it is essential that all staff in our organisation involved in raising funds and/or developing partnerships understand this policy, and that we take active steps to ensure its full implementation.

4. Policy statement

1. We will actively seek financial support and partnerships, working with organisations and individuals:
 - a. for the furtherance of the organisation's objectives,
 - b. where we are satisfied that the relationship will not damage the reputation of the organisation,
 - c. where there is no attempt on behalf of the organisation or individual to influence our policy or actions,
 - d. that the relationship does not compromise the independence of the organisation,
 - e. where the programmatic and reporting requirements of the funding will not impose an undue burden on the capacity of the organisation.
2. We will not knowingly accept financial support from, or work in partnership with, organisations or individuals:
 - a. if the relationship causes harm to beneficiaries or results in a net decline in the asset base, support, or reputation of the organisation,
 - b. who could undermine our effectiveness in achieving our objectives,
 - c. who could compromise the organisation or bring its name into disrepute,
 - d. whose objectives could conflict with our objectives and values, or which could promote inaccurate or misleading messages about our commitment to those goals and values.
3. We will not:
 - a. allow our organisation's name to be used in a manner that would express or imply our endorsement of the company/organisation or its policies,
 - b. endorse or approve products or companies, and a statement to this effect will be included alongside any branding or promotion associated with products,
 - c. promote any products or services unless we are offering them ourselves or in partnership with others.
4. We will carry out a due diligence procedure (described below) (**Appendix 1**) for all formal interactions with external organisations and individuals who are working with us to achieve shared objectives. This includes potential funders, sponsors, and partners. The due diligence procedure will be proportional to the nature and size of the potential relationship.
5. The National Executive Committee (NEC) must approve all significant financial support or partnerships. Significant is defined as:
 - a. a financial value above **M50,000** in any financial year,
 - b. long-term (i.e., not a one-off donation),
 - c. presenting a potentially serious reputational risk to the organisation or is identified as a cause for concern.

The secretariat team will approve all other financial support or partnerships.

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6. We will make reasonable and appropriate attempts to identify any organisation or individual that gives us financial support, particularly where significant sums are being donated, or the circumstances of the donation give rise to notable risk. We will not accept anonymous corporate donations. We may accept anonymous individual or trust donations through a reputable representative, provided that a rigorous third-party due diligence process has been conducted to confirm that we are not potentially compromised. If a supporter makes themselves known to us but wishes their gift to remain anonymous, we will honour these wishes on the basis that the donation carries no significant reputational risk.
 7. A complete list of our funders and partners will be maintained on our website unless there is a good reason not to disclose a specific funder or partner, for example, on grounds of security, or where a supporter wishes their gift to remain anonymous.
 8. We will communicate our commitment to this policy to our stakeholders. A copy of this policy will be displayed on our website.
 9. We reserve the right to withdraw from any partnership where events or new information come to light, which means that areas of this ethical policy become breached. This will be written into the partnership agreement.
 10. We are committed to developing and maintaining a diverse funding model and regularly reviewing the balance of our funding sources to maintain our sustainability and independence.

5. Building blocks

This policy is operationalised through a due diligence procedure.

This is informed by and compliant with the legal requirements and regulatory guidelines of the Government of Lesotho.

- a) Money Laundering and Proceeds of Crime Act, 2008 Act 4 of 2008 [Act No. 4 of 2008 – lesotholii.org](http://lesotholii.org)

For all formal interactions with external organisations and individuals who are currently working with us, or may potentially work with us, to achieve shared objectives, whether as a donor, sponsor, or partner, the following procedure will be carried out, recorded and annually reviewed.

1. A named member of staff will be identified, who will be responsible for carrying out and recording the initial due diligence assessment and for making a recommendation to the secretariat team, who will then refer this to the NEC, where required by the policy statements above. The initial due diligence assessment should include:
 - a. What is known about the potential donor, sponsor, or partner and how it this is known.
 - This should outline key information about the organisation or individual.

- It should describe how the potential partner's objectives, aims and ways of working are compatible with the organisation or concerns where they could be incompatible.
 - It should flag areas where there might be cause for concern about the relationship among beneficiaries or other stakeholders.
- b. How the relationship will enable the organisation to meet its objectives and benefit beneficiaries and other stakeholders.
 - c. A check that the funder's source of funding complies with local money laundering laws.
 - d. A recommendation to the secretariat team based on the initial due diligence assessment, about whether the organisation should enter into a formal agreement with the individual or organisation.

A decision not to enter into a relationship will be based on evidence that a relationship with the individual or organisation could cause harm to the organisation's beneficiaries or would result in a net decline in the asset base, support, or reputation of the union.

2. If, whilst undertaking the due diligence procedure, the member of staff identifies any objectives or ways of working which are incompatible with the organisation's, or any other significant risk, they will immediately inform the secretariat team, who will determine the level of risk and whether to refer it to the NEC. The NEC will then be asked to decide whether the partnership should progress.

Circumstances, where there may be a legitimate concern, include but are not limited to:

- a. organisations where there is evidence of discrimination based on race, ethnicity, gender or gender identification, sexual orientation, nationality, age, disability, or other embodiment or expression of fundamental human rights,
- b. organisations with exploitative working conditions,
- c. organisations with environmentally harmful /unsustainable practices within their supply chain,
- d. organisations with an explicit political partisan position,
- e. tobacco, brewing, or weapons manufacturing companies,
- f. organisations that promote gambling or risky behaviour around money.

6. Summary of authorities under the policy

Included in the table below is a summary of the key authorities within our organisation under this policy.

Decision	Authority
To approve the ethical fundraising policy and any changes to the policy	National Executive Committee (NEC)
To approve due diligence assessments of new potential funders and partners	Secretariate
To review due diligence assessments annually on existing funders and partners	Secretariate
To ensure that a full list of our funders and partners is maintained on our website	Secretariate

To ensure that a copy of this policy is displayed on our website	Financial Controller
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7. Policy monitoring

We will actively monitor the application of this policy and the results we achieve through its implementation. Specifically:

- Our secretariat team and the NEC will:
 - review and approve all new due diligence assessments,
 - will regularly review a fundraising report, which will highlight any issues arising, including reviewing unsolicited donations,
 - monitor the number of funders and partnerships that are refused on ethical grounds.
- We will regularly review this policy to learn lessons and improve our practice.

Priorities for monitoring ethical fundraising practices:

- Schedule periodic policy reviews.
- Review fundraising reports for patterns or recurring ethical issues.
- Track and assess all new and existing funders through due diligence

8. Capabilities and systems

In our organization, we aim to have the capabilities and systems to efficiently and effectively assess funding relationships and partnerships against this ethical fundraising policy. Our NEC regularly reviews this policy, and we:

- have a designated fundraising lead, the Secretary General, responsible for overseeing ethical fundraising practices and ensuring compliance with this policy,
- maintain a stakeholder action plan that enables us to keep track of stakeholder relationships,
- use standard templates and tools to enable us to apply this policy systematically
- have designated authorities for each of the key decisions,
- train key staff on how to undertake a due diligence assessment and organise refresher training periodically on this topic for key staff.

Between now and the next review date of this policy, we will make the following changes to improve our systems and capabilities:

- Create a protocol for identifying the source of each unsolicited donation, including escalation procedures for high-risk cases.
- Establish a centralised log of declined funders and partnerships with a documented rationale.
- Implement a quarterly fundraising ethics report to the NEC, including analysis of trends and flagged concerns.
- Train secretariat staff on updated procedures and ethical risk indicators.

9. Related policies

This policy is supported by the following:

- Financing strategy
- Finance and accounting policy and procedure manual.
- Reverses and unrestricted funds policy
- LAT Constitution as amended in 2021

10. Approval of policy

This policy was approved on --- October by the 2025 National Executive Committee. It will be reviewed and updated on _____March 2026.



Appendix 1. Due Diligence Assessment

Your name and role		
What do you know about the potential donor, sponsor, partner?		
What you need to know	Possible sources of information (this is not an exhaustive list)	Record/findings/recommendations
Key information	Individual's/organisation's website, key contact, meetings to date, size/location(s)/ no. of employees, financial data, annual accounts	
Compatible objectives, aims and ways of working	Values, vision, mission, objectives, ethical/corporate responsibility policies, diversity and inclusion policies and initiatives, employment policies and practices, existing partners, meetings to date	
Incompatible goals, aims and ways of working	Review of media and social media within the last 1-3 years	
Potential conflicts of interest or reputational risks working with this organisation		
Potential areas of concern for some beneficiaries or stakeholders	Consulting stakeholders for their views. This includes beneficiaries and local groups, other organisations with whom we have established relationships, our staff, volunteers and the board of trustees	
How will the relationship enable the organization to meet its objectives?		

What you need to identify	Possible sources of information (this is not an exhaustive list)	Record/findings
Specific, measurable outcomes that enable the organisation to meet its charitable objectives	Governing document, current strategy and theory of change	
Other specific, measurable outcomes that benefit beneficiaries and other stakeholders		
Is the funder's source of funding compliant with local money laundering laws?		
Any money laundering issues	Relevant laws and resources, such as websites where anti-money laundering checks can be carried out	
Overall assessment and recommendation:		
Assessment date:		
Reviewed/approved by:		
Reviewers/approvers comments:		
Approval date:		
Additional guidance:		
<p>If, whilst undertaking the due diligence procedure, the member of staff identifies any objectives or ways of working which are incompatible with the organisation's, or any other significant risk, they will immediately inform the secretariat team, who will determine the level of risk and whether to refer it to the board. The board will then be asked to decide whether the partnership should progress.</p> <p>Circumstances, where there may be legitimate concern, include, but are not limited to:</p>		

- a. organisations where there is evidence of discrimination based on race, ethnicity, gender or gender identification, sexual orientation, nationality, age, disability, or other embodiment or expression of fundamental human rights,
- b. organisations with exploitative working conditions,
- c. organisations with environmentally harmful/unsustainable practices within their supply chain,
- d. organisations with an explicit political partisan position,
- e. tobacco, brewing, or weapons manufacturing companies,
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