

DONATIONS ACCEPTANCE POLICY March 2024

Introduction

The Royal College of Art (RCA) Donations Acceptance Policy sets out the principles and processes that the RCA will follow when seeking donations and the basis for accepting or refusing donations from individuals and organisations.

The policy aims to ensure that decisions are taken by those with the appropriate level of authority, are grounded in agreed principles and comply with legal and regulatory requirements.

This policy does not cover the following, which are covered in other policies:

- Research grants (non-philanthropic)
- International and commercial partnerships
- Receiving gifts and hospitality

Principles

The RCA is an exempt charity under Schedule 3 of the Charities Act 2011 for the purposes of UK Charity legislation and a company incorporated under Royal Charter (RC0000456). Exempt charities are organisations whose purposes are charitable but are accountable to a body other than the Charity Commission; the RCA is accountable to the Office for Students as its delegated charity regulator. Although exempt from registering with the Charity Commission, higher education institutions must comply with the requirements of charity law and other relevant legislation.

The RCA wishes to uphold the highest standards of fundraising and to abide by the Fundraising Regulator's key principles and behaviours of fundraising organisations: to be legal, open, honest and respectful.

The RCA is required to comply with the relevant law and regulations when seeking and accepting donations including, but not limited to, legislation on the proceeds of crime, data protection, tax and gift aid, mental capacity, the the RCA's own policies including, but not limited to, <u>Anti-Bribery Policy</u>, <u>Anti-Money Laundering Policy and Procedures</u> and <u>Counter Fraud Policy and Response Plan November 2021</u>.

Members of the College Council are considered its Trustees. As such they are expected to act in the best interests of the RCA in pursuing its purposes as set out in the constitution, including the issues of accepting or refusing donations.

All fundraising must be channelled through the Development and Alumni Relations Office, to ensure adherence to the RCA Donations Acceptance Policy.

Fundraising

The RCA fundraises from a wide variety of sources including individuals, companies, trusts and foundations.

Our fundraising supports the objectives in our Royal Charter 1967:

'to advance learning, knowledge and professional competence particularly in the fields of fine arts, in the principles and practice of art and design in their relation to industrial and commercial processes and social developments and other subjects relating thereto, through teaching, research and collaboration with industry and commerce.'

and the RCA's mission:

'The Royal College of Art aims to achieve international standards of excellence in the postgraduate and pre-/mid-professional education of artists and designers and related practitioners. It aims to achieve these through the quality of its teaching, research and practice and through its relationship with the institutions, industries and technologies associated with the disciplines of art and design.'

Full details of the RCA's current mission and vision are updated here: <u>https://www.rca.ac.uk/more/organisation/college-mission/</u>

Our fundraising seeks to advance the RCA's Strategic Plan for 2022-2027 which is available here: <u>https://www.rca.ac.uk/more/organisation/corporate-publications/strategic-plan-202227/key-enablers/</u>

Our strategic vision is:

'To increase our influence on the world stage of globally ranked universities, punching significantly above our weight, and attracting, supporting and convening the world's most talented faculty students, artists, designers and creative leaders.'

And the following three goals will help us deliver this:

- 1. We will generate new knowledge and insights from research.
- 2. Our teaching excellence will be continuously informed by new research knowledge and insights.
- 3. We will translate new knowledge, skills and insights to bring about economic, societal and cultural benefit through UK and international partnerships and collaborations.

Royal College of Art

Our fundraising seeks to adhere to our stated values included as one of five key enablers: https://www.rca.ac.uk/more/organisation/corporate-publications/strategic-plan-202227/key-enablers/

Accepting and refusing donations

The RCA will accept donations which meet its objectives and mission and which are consistent with this policy.

Decisions are taken on a case-by-case basis with the principle that a donation can be refused in any circumstances when to accept the donation would be more detrimental to the College's ability to achieve its objectives than refusing it.

Circumstances whereby the RCA will refuse or consider refusing a donation:

- The funds for the donation have come from an illegal source or with an illegal condition, or cannot legally be given to the RCA.
- The donor is not prepared to reveal their identity to the RCA, which prohibits due diligence, or refuses to take part in the due diligence process. A donor can remain anonymous publicly.
- The donor is considered unable to make independent financial decisions.
- The acceptance of the donation might result in influence in decision-making at the RCA.
- The acceptance of the donation would impinge on the academic freedom of the RCA.
- The nature or level of the donation would result in unacceptable current or future financial liabilities for the RCA.
- The required terms and conditions of the donation cannot be met by the RCA.
- The acceptance of the donation would do serious harm to the RCA's relationship with its students, donors, partners or other external stakeholders.
- The acceptance of the donation would cause material damage to the reputation of the RCA, disproportionate to the advantages gained from it.

Careful consideration will always be given to accepting a donation from a current or prospective student or their close family.

The RCA does not maintain a list of donors from which donations are not accepted, however our fundraising is consistent with our Responsible Investment Policy and the approach that the College follows in considering environmental, social and governance ('ESG') issues - <u>Responsible Investment</u> <u>Policy</u>.

Due Diligence process for accepting or refusing a donation

Royal College of Art

All fundraising at the RCA seeks to support the College's objectives and mission in adherence with our values. The RCA Development and Alumni Relations Office (DARO) will carry out due diligence research on any donations which raise any concerns and will always undertake research on donations above $\pounds 25,000.$

Due diligence will include financial and reputational consideration using publicly available materials and where appropriate the advice of individuals who have knowledge of the donor. Due to time and resource implications, due diligence will be carried out when cultivation of a donation is in the planning stages, not for every prospective donor identified.

Donations from charitable foundations registered and regulated by regulatory authorities in the UK or US will not normally be subject to due diligence, the DARO team may refer a registered charity for review if there is concern of any risk associated with the foundation, its founder or trustees.

The position of existing donors may change over time, as such updated reviews will be carried out on current donations at regular intervals (every 3 years) and any concerns referred to the Director of Development and Alumni Relations.

Authority for accepting or refusing a donation

The Director of Development and Alumni Relations is responsible for the Donations Acceptance Policy.

Donations will be referred to the President and Vice Chancellor by the Director of DARO should any circumstances above be met or there is any concern about acceptance of the donation.

The President and Vice Chancellor will consider the due diligence concerns and may approve the donation at this stage or seek further discussion with the Council. If the President and Vice Chancellor is considering refusing the donation, they must refer this to the Council.

Donations will always be referred to the Council if:

- The prospective donation meets any of the circumstances documented above.
- They are above £1 million (total cumulative value of giving).
- There is a significant 'naming' acknowledgement associated with the donation (above £500,000 total cumulative value of giving).

The Chair of the Council may convene a subgroup of the Council (of minimum 4 members including the Chair) to consider accepting and refusing donations in a timely manner outside of regular Council meetings. This will ensure the RCA can swiftly approve acceptance of larger donations, when the due diligence process has raised no concerns. The subgroup will identify any further due diligence required and recommend accepting or refusing donations to the Council.

The decision to accept or refuse a donation, when agreed at Council, will be recorded in Council minutes and on the RCA's CRM system and, if appropriate, referred to the Office for Students and the Charity Commission. The records of donations being accepted or refused will therefore be available for review should circumstances change in relation to the donor.

Returning donations

In truly exceptional circumstances, where new information comes to light regarding the criteria listed above, a donation may be returned to the donor providing that the terms and conditions of the donation allow for it to be returned, and the law specifically allows for the donation to be returned.

Policy Manager : Director of Development and Alumni Relations Approval Route : Audit and Risk Committee (ARC) recommendation to Council. Approved : March 2024 Next Review : March 2026