

Royal Northern College of Music
Ethical Fundraising & Gift Acceptance Policy
Policy & Procedure
Department: Finance
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Approval Committee: Finance and Investment Committee
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RNCM
ROYAL NORTHERN
COLLEGE of MUSIC

1. Role and responsibilities of the Board of Governors

The Board of Governors (the 'Board'), in relation to the charitable activities of the RNCM (an exempt charity within the provisions of the Charities Act), acts as a Corporate Trustee. Members of the Board are therefore Trustees of the RNCM, and of its four Trust Funds, each of which is a separate charity registered with the Charity Commission. Hence the Board must act reasonably and prudently in the interests of the charities in pursuing the charities' purposes, as set out in the RNCM's Articles of Government (Article 2(1)). In so doing, the Board delegates its authority in relation to the acceptance or refusal of gifts and donations, within this policy framework, to the Principal who, at his/her discretion remits the exercise of this authority to the Director of Development, who consults as appropriate with the Director of Finance.

In the exercise of this responsibility, the Director of Development shall interpret and apply the criteria and requirements provided for by this policy on a case by case basis, which should by all reasonable expectations be applied consistently. In particular, if the decision is to refuse a gift or donation, or proposed approach, this should be determined only if to accept it would be more detrimental to the charity than refusing it. The Director of Development will keep documentation regarding decisions made within this policy without consulting others. This shall include which factors were considered in coming to the final decision.

However, in cases where the Director of Development and the Director of Finance are unclear whether the proposed approach or offer of a gift or donation fulfils the requirements set out in this policy, or where it raises issues of particular sensitivity or complexity, they shall consult the Officers of the Board (acting as the 'Gift Acceptance Sub-Group') for advice and guidance before reaching a decision. In exceptional circumstances, the Sub-Group may decide that an individual case should be referred to the Board for decision. A summary of all referrals to the Sub-Group, and their outcomes, shall be included in the Director of Development's Annual Report to the Board.

This policy takes into account relevant charity legislation and guidelines from the Charity Commission and Institute of Fundraising.

2. Policy

2.1 The criteria to be applied when deciding whether to pursue a proposed approach, or accept a gift, which for clarity in this document, will be known as a donation or pledge are whether:

- it would be unlawful to accept it;
- accepting it would be detrimental to, and/or in conflict with the achievement of the Purpose of the RNCM, as set out in the Articles of Government;
- accepting the donation would be detrimental to, and/or in conflict with the strategic ambitions of the RNCM and related RNCM brands;
- The donation/pledge is restricted in a way, or has conditions, unacceptable to the RNCM on the grounds of discrimination of protected characteristics.

The RNCM will make reasonable efforts to discuss conditions of donations and agree acceptable terms before declining a donation/pledge on these grounds.

2.2 This policy applies to cash, donations in kind, shares, legacies, pro bono work, sponsorship, corporate donations.

- 2.3 This policy applies to both solicited and unsolicited donations. It is expected that any approach for a solicited donation would be made in a manner consistent with the provisions of this policy.
- 2.4 This policy is applied to each donation rather than each donor and each donation is considered under this policy independently. In the event of a donation from a repeat donor being rejected, all previous donations will be reviewed under this policy. The rejection of a donation does not automatically imply a rejection of all future donations by the donor, but all information held on the donor will be considered.
- 2.5 All gifts received should satisfy the criteria of the RNCM Anti-Bribery and Anti-Fraud Policy as referenced in section 6.

3. Donors' Rights and Understandings

- 3.1 All information and records held in relation to donations and in the application of this policy will be available upon request by individuals as identified and under the restrictions of the General Data Protection Regulation and the Freedom of Information Act 2000. An individual's data is protected as set out in 8.1 of this policy.
- 3.2 All fundraising solicitations by or on behalf of the RNCM will disclose the College's name and the purpose for which the funds are requested. Printed solicitations (however transmitted) will also include its address or other contact information.
- 3.3 Donors and prospective donors are entitled to the following, promptly upon request:
- the most recent annual audited financial statements;
 - confirmation of the charitable status of the RNCM and/or its associated Trust Funds;
 - a copy of this Policy.
- 3.4 Donors and prospective donors are entitled to know, upon request, whether an individual soliciting funds on behalf of the College is a volunteer, an employee, or a consultant or freelance fundraiser working on behalf of the College.
- 3.5 Donors will be recommended in writing to seek independent advice if the College has any reason to believe that a proposed gift might significantly affect the donor's financial position, taxable income, or relationship with other family members. It will remain the donor's responsibility to consider such matters prior to making a gift. The RNCM does not offer financial advice under any circumstances.
- 3.6 In the case where there are any legal, tax or other complexities involved in a donation donors will be encouraged to seek independent advice.
- 3.7 Donors' requests to remain anonymous will be respected as far as is legally, practically, and ethically possible. This will be applied in line with 4.4.
- 3.8 The privacy of donors will be respected. Any donor records that are maintained by the College will be kept confidential to the greatest extent possible. Donors have the right to see their own donor record.
- 3.9 Donors and prospective donors will be treated with respect. Every effort will be made to honour any requests they may make to:

- limit the frequency of solicitations;
 - not be solicited by telephone or other technology;
 - limit the amount or frequency of printed or online material concerning the College that they are sent.
- 3.10 Donors have the right to ask that their donations be allocated to a specific area of the College activity, and that reasonable endeavours will be taken by the College to meet these requests, wherever possible and appropriate in furtherance of its Purpose.
- 3.11 The College will respond promptly to a complaint by a donor or prospective donor about any matter that arises from the implementation of this policy. A designated member of the Development Office will attempt to satisfy the complainant's concerns in the first instance. A complainant who remains dissatisfied may request in writing a review of their complaint by the Director of Finance, and will be advised of the outcome of this review.

4. Fundraising Practices

- 4.1 The Director of Development will report in a timely manner all unrestricted donations/pledges of at least £20k to the Principal.
- 4.2 The Director of Development will report in a timely manner all restricted donations/pledges of at least £20k and donations/pledges of at least £20k with conditions to the Principal and any other relevant colleagues.
- 4.3 The RNCM will not accept donations/pledges from unidentifiable sources. Such donations with a value of over £25,000 are required to be reported to The Office for Students as a serious incident.
- 4.4 When a donor does not want his/her name to be widely known, it is essential that it is known at least to the Director of Development, Principal and the Chair of Finance and Investment Committee, who should record the fact that they are satisfied that the donor is acceptable to the RNCM.
- 4.5 All RNCM staff have a responsibility to inform the Director of Development if they are aware of any information related to a donation or proposed approach which would be contrary to the criteria set out in 2.1.
- 4.6 All RNCM staff have a responsibility to alert the Development Office of any proposed approach or gift received in line with this policy.
- 4.7 Any media and publicity related to the rejection or acceptance of a donation will be managed by the Head of Marketing and Communications.
- 4.8 There is no right to appeal the decision to reject a donation.
- 4.9 Pursuant to paragraph 1, the implementation of this policy will be the responsibility of the Director of Development and will be managed by the Development Office.
- 4.10 A Gift Agreement will be completed for every donation/pledge totalling at least £10k stating the name of the donor, the nature of any restrictions, and how the donation will be stewarded.

5. Financial Accountability

- 5.1 The financial arrangements for handling donations will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of national regulators.
- 5.2 All restricted donations will be used as agreed with the donor. If necessary due to programme or organisational changes, alternative uses will be discussed where possible with the donor or the donor's legal designate(s). If the donor is deceased or not legally competent, and the College is unable to contact a legal designate, the donation will be used in a manner that is as consistent as possible with the donor's original intent.
- 5.3 An annual report produced by the Development Office will *inter alia*:
- disclose the total amount of philanthropic income and expenditure;
 - be factual and accurate in all material respects.

6. Extract from the RNCM Anti-Bribery Policy

- 6.1 The College will uphold all laws relevant to countering bribery, corruption and fraud in all the jurisdictions in which the College operates. However, the College remains bound by the laws of the UK, including the Bribery Act 2010 and the Fraud Act 2006, in respect of the College's conduct both at home and abroad.
- 6.2 The giving or receipt of gifts is not acceptable if:
- (a) it is made with the intention of influencing a third party to obtain or retain funding or a commercial advantage, or to reward the provision or retention of funding or a commercial advantage, or in explicit or implicit exchange for favours, benefits or funding;
 - (b) it is made to a government official, agent or representative to "facilitate" or expedite a routine procedure. Gifts should not be offered to, or accepted from, government officials or representatives, or politicians or political parties, without the prior approval of the Director of Finance;
 - (c) it does not comply with local and/or UK law, as relevant;
 - (d) it is given to an individual and not in the name of the College.
- 6.3 It is not acceptable for an individual (or someone on their behalf) to:
- (a) threaten or harass another member of staff who has refused to commit a bribery offence or who has raised concerns under this Policy; or
 - (b) engage in any activity that might lead to a breach of this Policy.
- 6.4 In certain circumstances it may be appropriate to accept a token gift of little intrinsic value, such as pens, diaries and calendars. If in doubt you should seek advice from your line manager.
- 6.5 A gift and hospitality register must be maintained by all schools and departments and will be routinely collated and reviewed at Executive Committee.

7. Acceptable Sources of Income

7.1 In assessing a proposed approach or donation RNCM will take all reasonable steps to consider the following characteristics of the source of the donation:

- Is there is a conflict between the industry or activities and the charitable objectives of the RNCM?
- Does the geographical location of where the donation is either given or received trigger additional levels of caution?

7.2 In assessing the impact of the proposed approach or donation the RNCM will take all reasonable steps to ensure receipt of the donation will not:

- have any influence on outcomes of research or teaching content;
- have an impact on freedom of choice and opportunity for students or staff;
- provide academic or personal gain to a student when the donation is made by the respective student or an associate or family member;
- cost the College unreasonable further funds to deliver conditions or restrictions applied to the donation;
- compromise its status as an independent institution;
- create unacceptable conflicts of interest;
- expose the College to undue adverse publicity or reputational risk;
- cause any other damage, including financial damage, for example, deterring other donors to the College.

7.3 The RNCM will seek to ascertain whether there is published or other credible evidence that the proposed donation will be made from a source that arises in whole or in part from an activity that has:

- Resulted in tax avoidance or aggressive tax evasion, fraud or other criminal activity;
- Violated international conventions on human rights;
- Limited freedom of enquiry, or encroached on academic freedom;
- Promotes terrorism.

7.4 Where concerns are raised under these guidelines about a gift that has already been accepted by the College, a similar process of consideration and scrutiny will be followed to determine whether it is appropriate to retain the gift, to return it to the donor or to take any other action in relation to the gift.

8. Prospect Research and Data Protection

8.1 The Development Office will ensure it is in compliance with the Data Protection Act (1998), the General Data Protection Regulation (GDPR) and the Privacy and Electronic Communications Regulations 2003 , and follows the advice given by the College's Data Protection Officer so that it does not obtain, process, store, sell or pass on data unlawfully.

8.2 When conducting prospect research, the Development Office will:

- have a clear understanding of what information is fair and relevant to the purpose it is being used for;
- not use unethical methods to obtain prospect research information;
- avoid personal prejudice and bias;

- be honest and transparent with regard to their purpose and their identity when seeking information;
 - take into account the reliability of the sources of information used; and,
 - ensure that research when presented is accurate, relevant to its purpose and timely.
- 8.3 The Development Office will at all times be aware of the sensitivity of information gathered and held on alumni, other individuals, and organisations. This will aid the College's compliance with data protection legislation and ensure that information acquired via all channels, particularly information not in the public domain, is treated with the utmost respect.
- 8.4 When using external agencies or when data may be shared with a third party, for example mailing houses, the Development Office will ensure that all issues, such as data ownership, fitness for use and confidentiality, are governed by a legally binding contract.
- 8.5 The Development Office will require companies appointed to carry out data processing on the College's behalf to do so in compliance with its Data Protection policy and arrangements and as agreed by the College's Data Protection Officer.

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Approvals

This document requires the following approvals.

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