Fundraising decision flowchart for mid-scale to large-scale cultural organisations

A fundraising decision flowchart – could be useful for your organisation to identify key risk areas for fundraising. The framework should be used alongside the step-by-step guide on how to create a Fundraising and Gift Acceptance Policy (see page 8) and the Fundraising and Gift Acceptance Policy template (see page 9).

Donation / Sponsorship Offered

1	**Best Interests Starting Point** **Is there a reason why accepting this donation might not be in the charity's best interest?** The Charity Commission's starting point is that charities should generally accept and retain donations to further their purposes.	**If Clear Reason No** – Decline
2	**Purpose and Public Benefit Test** **Would accepting the donation further the charity's purposes and public benefit?** Consider: Alignment with charitable objectives, benefit to beneficiaries, delivery of artistic cultural or educational outcomes	**NO** – Decline
3	**Legal and Regulatory Test** **Is the donation lawful and compliant with charity law or other legal duties?** Check: Legality of the source, safeguarding, equality & health & safety duties, restrictions on political activity	**Uncertain** – Seek Legal Advice **NO** – Decline
4	**Relevant Factors Assessment** (with reputation as one of several considerations) **Is there a risk that accepting this donation could damage the charity's reputation or undermine public trust & confidence?** Consider: credibility or concerns, likely reaction of stakeholders, impact on fundraising, partnership & delivery	**Medium Risk** – Mitigation **High Risk** – Decline
5	**Conditions and Independence Test** **Are there conditions attached that could compromise the charity's independence, governance or ability to pursue its purposes?**	**Conditions manageable** – Proceed with mitigation **Fail Test** – Decline or Negotiate
6	**Proportionality and Mitigation Test** **Can any risks be managed reasonably?** Possible mitigations: Limiting visibility, time-limited acceptance, clear separation from decision making, transparency in communications	**Risks not manageable** – Renegotiate or Decline
7	**Trustee Decision and Escalation** **Is this decision within delegated authority?** Decision-makers should ensure they are sufficiently informed, take account of relevant considerations, disregard irrelevant factors, manage conflicts appropriately and reach a decision that is rational and reasonable in the circumstances.	**Low Risk** – Executive **Significant Risk** – Chair and Trustee **High Risk** – Whole Board
8	**Record the Decision** **Has the decision and rationale been recorded?** Record: Risks identified, benefits considered, alternatives explored, reasons for decision making	**Only proceed if recorded**

Final Trustee Sense Check – Can trustees reasonably justify this decision as being in the charity's best interests if challenged?