

# RDA Foundation Public Financial Updates

*Outlining the Research Data Alliance (RDA) financial status (2020): April 2021*

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***The Research Data Alliance would like to inform its members and stakeholders about the ways in which the Research Data Alliance and, specifically, the RDA Foundation is funded globally. This public report gives an overview of the financial status of the RDA Foundation for 2020 and includes data on 2018 and 2019 for benchmarking purposes.***

*NB: all figures included are given in UK Sterling (GBP), the same as the RDA Foundation accounts, and are for 2020, unless noted otherwise.*

## **ESTABLISHMENT & GOVERNANCE**

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### **FOUNDING AND FUNDING RDA**

In 2012, three major funding agencies funded regional grants / projects to support the set up and operations of the Research Data Alliance in their regions and globally. The original RDA funding agencies were the Australian Government Department of Education and Training, the European Commission and the US National Science Foundation (NSF). During the period from 2012 to 2020, additional funders in the US supported specific regional (US-based) programmes, projects and grants (Alfred P. Sloan Foundation, MacArthur Foundation, NIST).

## RDA FOUNDATION

The Research Data Alliance (RDA) Foundation<sup>1</sup> is a non-profit charitable organisation registered as a legal entity in the UK and is the official and legal representative of the RDA community as a whole. The RDA Foundation provides the core business operations of RDA and represents RDA globally. The RDA Secretary General<sup>2</sup> works directly for the RDA Foundation and is the CEO of the organisation. The Secretary General's responsibilities include leadership of RDA's membership, effective management of the RDA organisation, engagement with RDA stakeholders and organisations, and sustainable stewardship of a dynamic, active, and high-impact community. The Secretary General reports to the RDA Council and works closely with all members of the RDA community. The Secretary General is also responsible for the organisational structure and management of the RDA Foundation, working closely with the RDA Council Finance Subcommittee<sup>3</sup> to ensure financial stability.

## RDA COUNCIL

The RDA Council<sup>4</sup> is responsible for the overall oversight, success, strategy, and sustainability of the RDA. The powers and authority of the Council are described in the RDA Articles of Association<sup>5</sup> and the Governance Document<sup>6</sup>. Currently the RDA Council has 9 elected members. In addition, there are 6 consensus forming non-voting members representing the two Technical Advisory Board (TAB) co-chairs, two Organisational Assembly and Organisational Advisory Board (OA and OAB) co-chairs, the STFC (the RDA legal headquarters host organisation) representative, and the Secretary-General. Elected Council Members also serve as Trustees for the RDA Foundation.

The Council Financial Sub-committee recommends to Council and monitors policies and rules for sound financial practice of the RDA Foundation.

In 2020, the Council established a Financial Sustainability Task Force<sup>7</sup> to assess the funding streams for RDA Foundation and propose new financial models for the organisation going forward.

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<sup>1</sup> <https://www.rd-alliance.org/about-rda/rda-foundation>

<sup>2</sup> <https://www.rd-alliance.org/about-rda/organisational-bodies/rda-secretary-general>

<sup>3</sup> <https://www.rd-alliance.org/about-rda/governance/rda-council/rda-council-subgroups>

<sup>4</sup> <https://www.rd-alliance.org/about-rda/our-leadership/rda-council.html>

<sup>5</sup> DOI: 10.15497/370AF792-28D7-4074-99E2-631206623B22

<sup>6</sup> <http://dx.doi.org/10.15497/RDA00001>

<sup>7</sup> <https://www.rd-alliance.org/about-rda/organisational-bodies/rda-council/rda-council-subgroups>

## RDA STAFF

The RDA Foundation has two staff members; the Secretary General, and starting in 2019, a staff member to support the RDA office, secretariat, governance and community. Both staff members dedicate effort to grant activities.

## IN-KIND CONTRIBUTIONS

The regional grant programmes (AU, EU & US) facilitate the availability of in-kind staff and personnel support for the RDA Secretariat<sup>8</sup>. This allows excellent regional and professional diversity to support and maintain the fundamental daily operations of the RDA. Over the 3-year period from 2018 to 2020, the RDA Secretariat has received in-kind staff support of an average of 2.8 FTE (full time employees).

Region   FTE	2018	2019	2020
Australia	0.6	0.6	0.6
Europe	0.9	0.9	0.65
US	1	1.5	1.75
Total In-kind Staff	2.5	3	3

Table 1 – RDA Secretariat In-kind Staff Support (2018 – 2020)

The RDA web platform, the virtual platform used by the community to do their work and to promote and communicate about RDA, has been entirely funded by the European Commission through the RDA Europe grants from 2013 to May 2020. The costs of the web platform since May 2020 are entirely borne by the RDA Foundation.

Other sources of in-kind support include hosting RDA plenary Meetings. Host country organisations from across the globe have invested considerable effort and resources in hosting the 17 plenaries to date.

## GROWTH

RDA was officially launched in March 2013 with the 1st Plenary meeting, at which the first 300 RDA community members attended. Since then, the heart and work of RDA has grown exponentially:

<sup>8</sup> <https://www.rd-alliance.org/about-rda/our-leadership/rda-secretariat.html>

## INDIVIDUAL MEMBERS

Individual membership of RDA is free of charge. Individuals register to the RDA web platform and agree to adhere to the RDA Guiding Principles and Code of Conduct. The growth in membership since its launch has been significant, from 300 members (March 2013) to 11,600 (March 2020)



## RDA Worldwide Growth

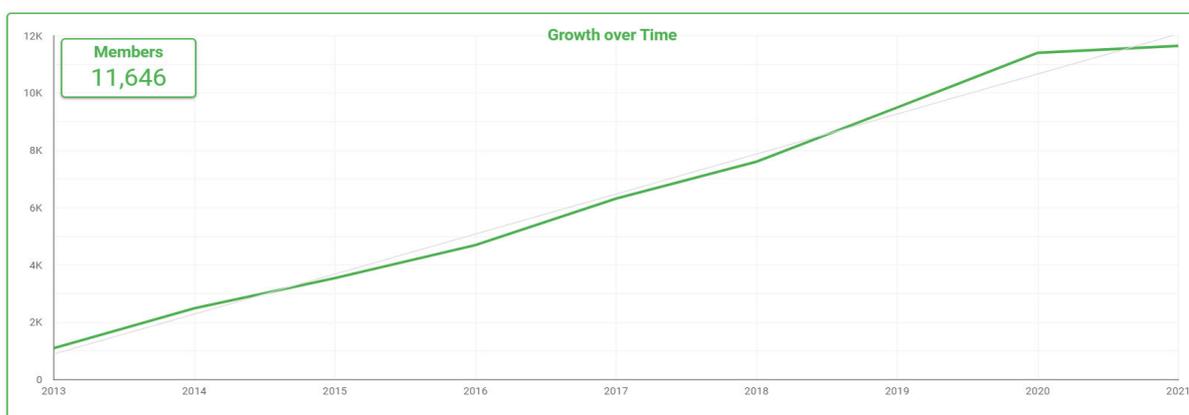


Figure 1 – RDA Individual Membership Growth (2013 - 2020)

## ORGANISATIONAL MEMBERS

Organisational membership was launched in 2014 and in the first year 21 organisations committed to supporting RDA, since then a further 40+ organisations have become members with approx. 15 who have ceased to renew membership. At the end of 2020, RDA organisational members totalled 50.

## GROUPS AND OUTPUTS

The Work of RDA is conducted through Working and Interest Groups, ideated, developed, and maintained by the volunteer global individual members. Furthermore, to facilitate community building on a geographical level, in 2017 National groups began to form. At the launch of RDA, 14 Working groups were formed, at the end of 2020 a total of 133 groups (Working, Interest and National) were managed. In terms of outputs, at the end of 2020, RDA groups had produced over 45 recommendations and supporting outputs, all of which were endorsed. To date, RDA has over 100 documented cases of adoption.

## SCALABILITY

RDA Foundation has continued to provide a significant level of support to all operations, including individual and organisational communities, governance bodies, plenary meetings, communications, and marketing despite the lack of increase in funding versus the growth and maturity of the organisation and its global community.

## INCOME

RDA income is primarily from the following sources, **Funding Agencies (through Donations and Grants)**, **Organisational Membership Fees**, with a further smaller ad-hoc **Other Funding** revenue stream.

## FUNDING AGENCIES

The total funding awarded (2012-2020) by funding agencies to support the regional activities across the globe is approximately £23 million. These funds were managed directly by the grant management organisations (regional offices or consortia). Approximately 5% of these funds have been dedicated to supporting RDA Global activities (from 2014 upon establishment of the RDA Foundation legal entity) with the remainder invested in RDA activities in the regions themselves.

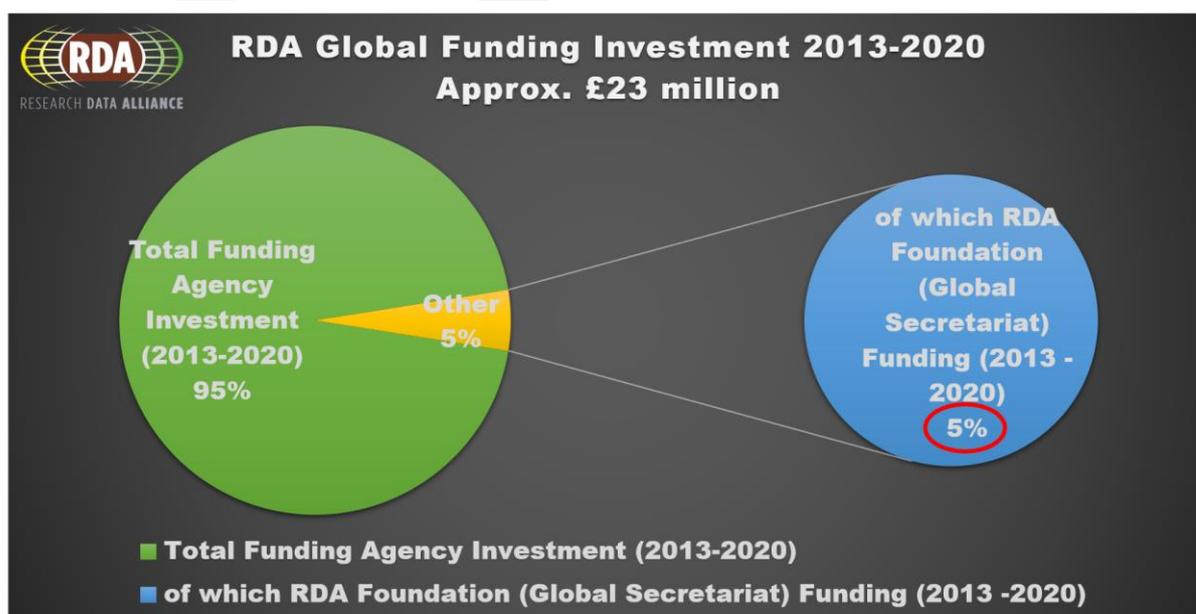


Figure 1 – RDA global funding investment 2013 - 2020

The implementation of these funds in the regions varies greatly depending on the national and regional strategies, and the priorities for growth and maintenance of the RDA community.

Some examples include, but are not limited to, early career programmes, fellowships, adoption grants, leadership meetings, RDA regional staff support, plenary meeting contributions and regional community travel support. These agencies provided seed funding to build the framework and momentum of the RDA. This funding enabled RDA to grow from a small, grassroots effort into the dynamic and far-reaching alliance that it is today. The nature of these grants has changed over the funding cycles, with less support for the “Business of RDA.” From 2021, the funds in each of the regions have changed and contribution to the RDA Foundation will not be available following 2022.

The **Regional Engagement Strategy**<sup>9</sup> launched in late 2018 aims to allow funders to support RDA on a regional and global basis (like AU, EU & USA). In addition to the three original funders, regional engagement includes RDA France from 2019.

## 2020 INCOME OVERVIEW

The diagram below outlines the income received by the RDA Foundation in 2020, shown in UK sterling (GBP) as accounts are generated in GBP. Total income was £241,937 (*of which £164,132 Donations and Grants and £77,805 (Membership Fees / subscriptions).*)

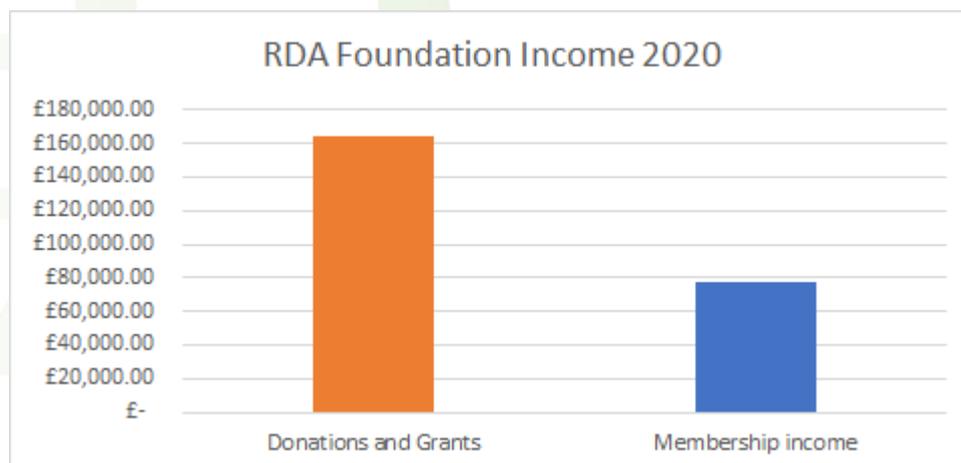


Figure 2 – RDA Foundation Income (Donations, Grants and Membership Fees) 2020

Financial support to RDA from funding agencies (donations and grants) is critical and essential as it preserves and allows RDA to operate according to its fundamental guiding principles<sup>10</sup>.

<sup>9</sup> <http://doi.org/10.15497/RDA00059>

<sup>10</sup> <https://www.rd-alliance.org/get-involved.html>

## DONATIONS AND GRANTS

Income to the RDA Foundation, as a charitable, non-profit organisation, is classified in two ways: *grants* are based on contractual agreements with funding agencies, for which there are specific activities, reporting and deliverables. *Donations* are direct contributions, for which there is a contract but no specific deliverable or reporting requirements. In 2020, a total income of £164,132 in the form of Donations and Grants was received by the RDA Foundation.

## ORGANISATIONAL MEMBERSHIPS

In 2014, with the establishment of the RDA Foundation, RDA offered organisations across the globe the possibility of becoming a member of RDA based on an annual fee or subscription<sup>11</sup>. Income is collected directly by the RDA Foundation on an annual basis. Fees / subscriptions are based on organisation type and size: \$1,000 USD, \$2,000 USD and \$10,000 USD annually. In 2020, RDA had 52 organisational members for a total of £77,800 income (some membership dues were still outstanding at the end of the fiscal year).

The **RDA Organisational Membership** has seen a small but consistent increase in Memberships and renewal rates since its launch in 2014. This source of direct funding for the RDA Foundation is essential, offering a direct connection between RDA and global organisations, and is a revenue stream intended to grow in the future. At the end of the calendar year 2020, approx. £10,000 in 2020 membership fees were unpaid.

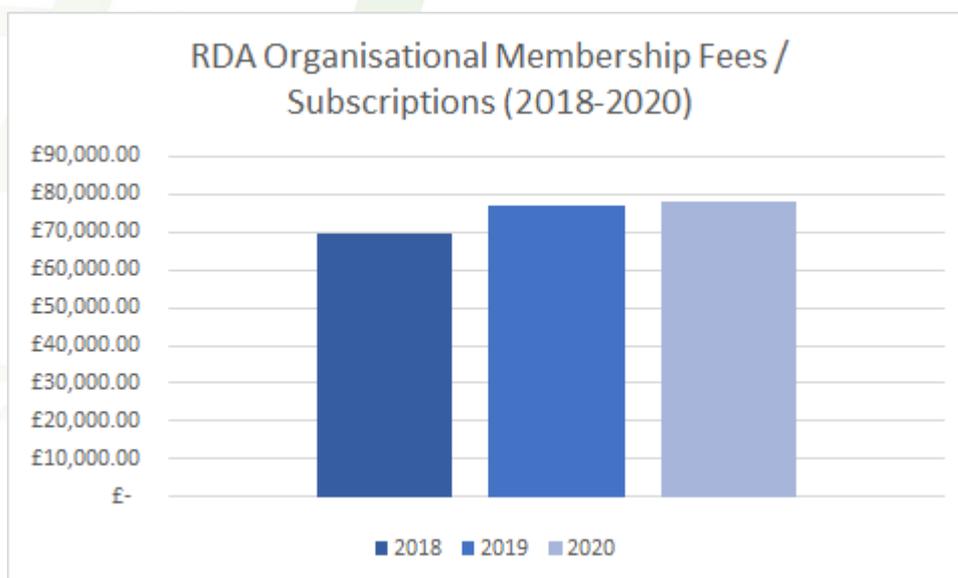


Figure 3 - RDA Organisational Membership Fee Income 2018 – 2020

<sup>11</sup> <https://www.rd-alliance.org/get-involved/organisational-membership>

The chart below outlines the 2018 – 2020 RDA Foundation Income from Donations and grants, Membership and Other Income.

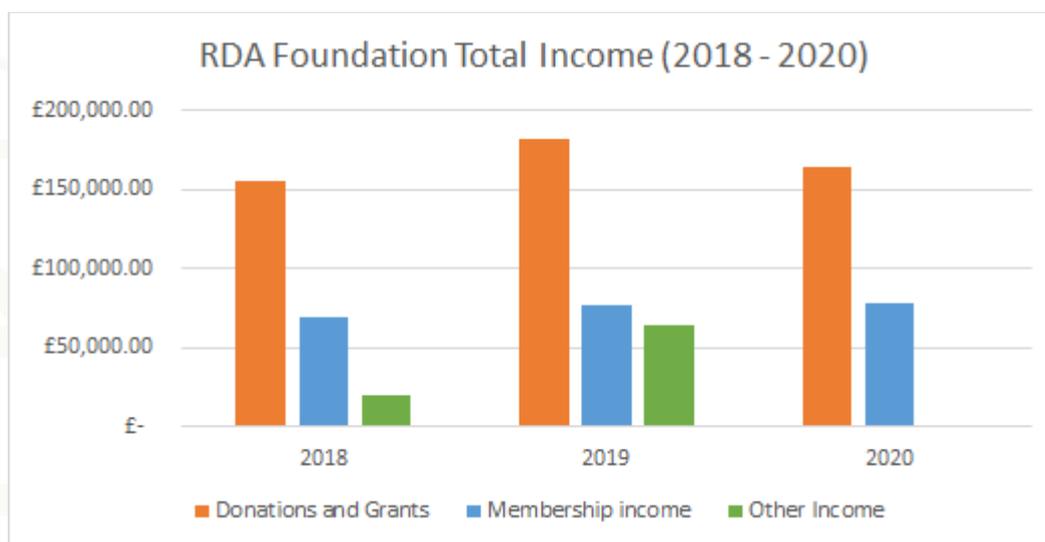


Figure 4 – RDA Foundation Income 2018 - 2020

## OTHER INCOME SOURCES

Other income sources can include ad hoc contributions, commission from RDA plenary registration, tax credits, etc. In 2020, no other sources of income were registered.

RDA Plenary Meetings are organized by local hosts and the financial responsibility is taken on by them, the RDA Secretariat provides significant support in terms of staff effort to the local hosts. From 2019, the RDA Foundation has stipulated a **5% commission** on the net registration fee income. This commission is waived in the event of a financial loss of the organisation of the Plenary Meeting by the local hosts.

## EXPENDITURE

Expenses for the RDA Foundation, which totalled £330,564 in 2020, include the following costs:

1. Personnel Expenses: salaries and travel (including contracts with staff to execute grant activities)
2. Fiscal Expenditure: tax and VAT fees
3. Other Expenses: including legal, accounting and bank costs, web site hosting and technical assistance, annual software subscriptions and licenses, as well as ad hoc expenses related to events.

The table below outlines the expenditure per cost category from 2018 – 2020

Expenditure	2018	2019	2020
Staff	£ 238,832.21	£ 185,054.38	£ 214,845.83
Travel	£ 29,318.92	£ 59,040.24	£ 19,419.62
Fiscal Expenses	£ 23,469.00	£ 45,393.30	£ 64,970.00
Other Expenses	£ 22,736.46	£ 16,556.54	£ 31,328.87
<b>Total Expenditure</b>	<b>£ 314,356.59</b>	<b>£ 306,044.46</b>	<b>£ 330,564.32</b>

Table 2 - RDA Foundation Expenditure (2018 – 2020)

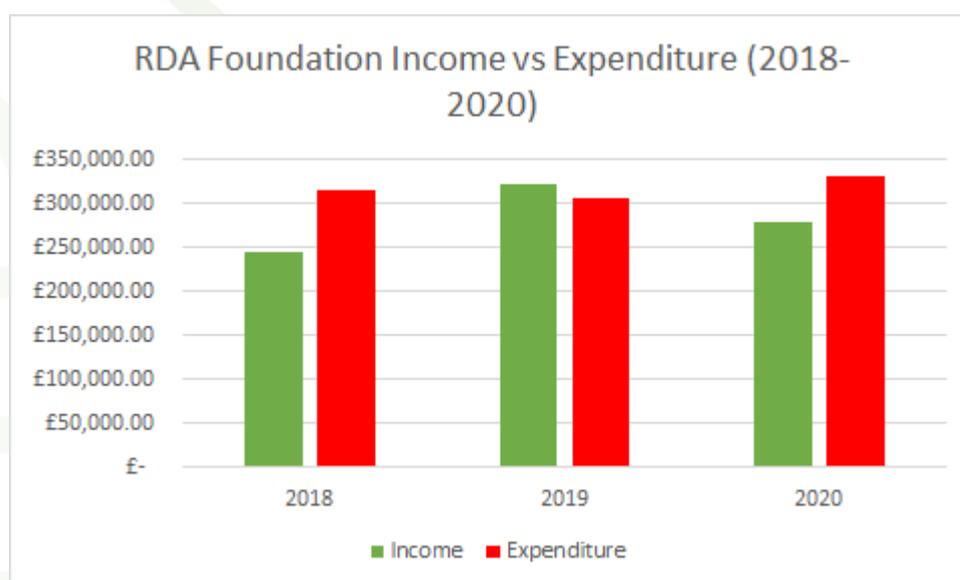


Figure 5 – RDA Foundation Income vs. Expenditure (2018 – 2020)

## PROFIT / LOSS

On average over the three-year period, the average Income £281,578.90 and average Expenditure £316,988.45 leading to an annual average loss over the three year period of -£35,409.56. The reliance on grant funding and the uncertainty around payment timing and delays have significant implications on the organisation’s cash flow. Consequently, the RDA Foundation bank reserves have decreased significantly and while there are still reserves in the bank, the table below illustrates that RDA Foundation is currently operating at a loss.

Expenditure	2018	2019	2020
Income	£ 244,301.10	£ 322,507.69	£ 241,937.01
Total Expenditure	<b>£ 314,356.59</b>	<b>£ 306,044.46</b>	<b>£ 330,564.32</b>
<b>Profit / Loss</b>	<b>-£ 70,055.49</b>	<b>£ 16,463.23</b>	<b>-£ 52,636.40</b>

Table 3 – RDA Foundation Profit / Loss (2018 – 2020)

## CONCLUSION

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**The original seed funding provided by the European Commission and funders in Australia and the United States has run its course, and we are now entering the era of a mature organisation that must find financial stability outside of initial seed funding.**

**Based on the trajectories and analysis of the past, present and future income and expenditure of the RDA Foundation, the funding strategy from 2022 must radically change.**

Thanks to the diligence and efforts of **The RDA Foundation team** and the **RDA Council Financial Subcommittee**, we have a very comprehensive public overview of RDA income and expenses. This is crucial for the RDA Council in establishing a budget, and allowing us to determine strategic priorities that are consistent with budget resources.

We continue to support and expand our regional engagement strategy but these sources take some time to nurture and secure. As we continue through 2021, a primary goal of the RDA Council is to continue to carefully track income and expenses and work to diversify our revenue while still maintaining and supporting our community and the organisation's vision, mission and, most importantly, our guiding principles.

## FUTURE PROJECTIONS

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The Financial Sustainability Task Force<sup>12</sup> is investigating a series of income streams and business models to allow RDA to sustain the current momentum, cover planned expenditure, ensure annual bank reserves as well as increase staff, enhance the web platform, host events. The goal of this task force is to present and discuss a range of options and recommendations to the RDA community and its funders by mid-2021, with a view to finalisation and implementation by the start of 2022. Achieving these financial goals would allow the RDA Foundation to manage and deliver fundamental RDA community services.

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<sup>12</sup> Ingrid Dillo, Hilary Hanahoe, Robert Hanisch, Natalie Harrower, Rebecca Koskela, Mark Leggott. See <https://www.rd-alliance.org/about-rda/governance/rda-council/rda-council-subgroups>