

Gifts and Donor Management Policy

Fact box

- **Policy owner:** President
- **Policy category:** Management: Advancement/Fundraising
- **Policy status:** Approved
- **Approval body:** Council
- **Endorsement body:** Advancement Committee
- **Last amended:** 2nd Feb. 2023
- **Relevant HESF:**

Purpose

The purpose of this policy is to specify guidelines and procedures for the clear and transparent acceptance of philanthropic gifts, donations and other support to Alphacrucis University College (AC). These guidelines and procedures are intended to assure donors that their gifts will be received and used in accordance with their intentions, and with the letter and spirit of the law, by:

- (a) setting out the principles to be applied when considering whether to accept a proposed gift to AC;
- (b) facilitating compliant and responsible acquittal of AC's obligations as trustee and custodian of gifts;
- (c) ensuring that, consistent with applicable trust conditions, all gifts are used to AC's best advantage and in a manner which maintains the good will and confidence of past and present donors;
- (d) allocating responsibility and accountability for gift administration;
- (e) supporting co-operation and communication between relevant units of AC; and
- (f) facilitating decision-making in relation to the administration of gifts.

Scope

This policy applies to:

- (a) staff, students and affiliates of AC; and
- (b) all gifts held by AC.

This policy does not apply to:

- (a) sponsorships;
- (b) non-philanthropic grants; or
- (c) scholarships and prizes funded by non-gift monies.

This policy covers the administration of a gift after AC receives it or a transfer of title to it.

Policy

Definitions

Advancement Committee means the Advancement Committee of the Council of AC.

Advancement Office means the office reporting to the President and responsible for AC donor development and relations.

Bequest means a gift of real or personal property made by will.

Council means the governing authority of AC.

Donation means a gift of real or personal property made during a donor's lifetime.

Donor means a person, body corporate or other organisation that has made a gift.

Endowment means a gift to be invested in an endowment fund for the purpose of producing present and future income that may be expended or reinvested with the original gift.

Financial Gift includes any gift of cash, cheque or credit card donation received unsolicited or as a result of direct solicitation. It includes the proceeds of sale or conversion of a gift received in kind.

Gift means any grant or transfer of property to AC where there is:

(a) on the part of the donor an intention to give (which is evidenced either in writing or through another act);

(b) a transfer of all right, title and interest in the property to AC; and

(c) no material benefit received by the donor in return for making the gift.

Gift Purpose means the purpose for which a gift can be applied.

Gift Register means the electronic register containing details of the terms and conditions of AC's gifts.

Non-financial Gift means a gift of real or personal property other than a gift of cash or its equivalent and may include either gifts which must be maintained in their original form, or which can be sold or otherwise converted.

Material Benefit occurs if, in return for a donor's contribution, AC is obliged to provide a substantial financial advantage or benefit to the donor or a nominee.

Pledge means a commitment to give a specific dollar amount according to a fixed time schedule.

Recipient Area means the faculty or area that is entitled to expend the capital and/or income of a financial gift, or to possession or use of a non-financial gift.

Trust Conditions means the conditions for the administration of a gift, specified by the donor or by law, and which are legally binding on AC.

Executive means the AC Executive, consisting of the President, Vice Presidents, and such other members of staff appointed by the President.

POLICY

AC seeks to further its mission through voluntary financial and non-financial donations by individuals and organisations. AC is endorsed as a Deductible Gift Recipient (DGR) and Income Tax Exempt Charity through the Australian Tax Office (ATO). As such, AC has a responsibility to meet all ATO and Australian Charities and Not-for-Profits Commission (ACNC) rules and guidelines with regards to acceptance and use of donations. AC recognises that security of donor's personal information is critical and embraces the Australian Privacy Principles.

Authority and responsibility to administer gifts

- (1) Council has the authority and responsibility to administer gifts, except to the extent that the contrary is specified by the applicable trust conditions.
- (2) Council has delegated its authority to administer gifts to the Executive, to the extent permitted by the trust conditions of each gift.

Gift Administration

- (1) The Executive will be responsible for gift administration.
- (2) The Executive is responsible for:
 - (a) deciding on acceptance of gifts with reference to AC's vision and mission, strategic objectives, reputation, and AC's gift acceptance principles below;
 - (b) overseeing AC's administration of gifts to ensure that, consistently with the applicable trust conditions, gifts are used to the best advantage of AC;
 - (c) monitoring the effectiveness of the system of gift administration;
 - (d) satisfying itself that all operational decisions and implementation measures necessary to ensure that AC satisfies its duties and obligations as trustee or custodian are taken;
 - (e) approving business processes for gift administration;
 - (f) satisfying itself that the trust conditions and conditions attaching to a gift are adequate to ensure its effective and compliant application and, where necessary, recommending such further or alternative conditions as it considers necessary;
 - (g) approving proposals for remediation or rationalisation of gifts;
 - (h) consulting with, and directing, gift administration officers as necessary; and
 - (i) reporting annually to the Advancement Committee and Council on the outcomes of the gift administration program and on the extent to which AC complies with its trustee and gift administration obligations.
- (3) The Executive may issue such binding directions for the administration of a gift as it considers necessary to prevent or remedy maladministration.

Gift Acceptance Principles

- (1) No material benefit to donor.
 - (a) A contribution in exchange for which AC is obliged to provide something of substantial financial value to the contributor or a nominee cannot be accepted as a gift as it provides a material benefit to the donor.
 - (b) The determination of what constitutes a material benefit must be made on a case-by-case basis, considering the circumstances of the proposed donor and the proposed terms of gift.
- (2) Material benefits may include, but are not limited to:

- (a) naming an event after a contributor;
 - (b) exclusive display of a contributor's name and or logo;
 - (c) participating in a contributor's promotional activities;
 - (d) allowing a contributor to use a name or logo associated with AC;
 - (e) free or discounted attendance at a fundraising event;
 - (f) granting exclusive or priority booking rights; or
 - (g) providing substantial free advertising.
- (3) An advantage or acknowledgement which is minor will not be a material benefit.
- (4) Non-material benefits may include, but are not limited to:
- (a) recognition through membership of the President's donor circle;
 - (b) including the donor's name on a list of supporters;
 - (c) a small gift such as a calendar, pen or notebook;
 - (d) invitations to AC outreach events;
 - (e) naming a building, academic chair or lectureship after a donor without the use of a logo; or
 - (f) attaching a donor's name to an item at AC, such as a chair in a lecture theatre or a musical instrument.
- (5) Acceptable conditions. Conditions attached to gifts must be consistent with:
- (a) the principle of academic freedom, especially in relation to:
 - (i) methods of research;
 - (ii) research conclusions and findings; and
 - (iii) dissemination and publication of research.
 - (b) legal obligations and restrictions which affect AC or any individual member of staff or student;
 - (c) maintaining AC's good reputation; and
 - (d) all applicable AC policies.
- (6) Acceptable source.
- (a) The source of a proposed gift must be legal and consistent with all applicable AC policies.
 - (b) The source of a proposed gift must not arise wholly or partly from any activity which suppressed or falsified academic research or limited freedom of inquiry.
- (7) Feasibility. Before accepting a proposed gift, the Executive must be satisfied that:
- (a) it is adequate to achieve its intended purpose, or that AC agrees to meet any additional costs which may arise from accepting it;
 - (b) any obligations proposed to be attached to it are reasonable and AC can meet them; and

(c) accepting the gift would not lead directly or indirectly to a net decline in AC's asset base, particularly if the gift is a non-financial gift.

(8) AC reserves the right to decline any donation that may morally, ethically or legally expose AC, result in adverse publicity or require unexpected or additional responsibilities, expense or restrictions.

Gift Administration Principles

Gifts to AC must be administered in accordance with the following principles.

(1) Responsible and compliant administration

(a) Gifts will, as completely as possible, be administered efficiently, in accordance with the terms upon which they were given and the law, and with a view to maintaining the good will and confidence of donors.

(2) Preservation of capital and protected accounts

(a) Where the terms of a gift require preservation of capital, the capital will be preserved regardless of the value of the gift.

(b) Where:

(i) the capital value of a gift is over \$250,000; and

(ii) preservation of capital does not conflict with the trust conditions, the initial capital value of the gift will be preserved in perpetuity, unless or until the Executive determines otherwise.

(c) Where a gift with an initial capital value of less than \$250,000, which is not subject to a trust condition requiring preservation, has been preserved, the Executive may determine that the gift is no longer required to be preserved. Such a determination may include determining the timing and manner of releasing the funds.

(3) AC interpretation of trust conditions

(a) As soon as possible after acceptance of a gift, the Executive will settle AC's interpretation of the applicable trust conditions.

(b) AC's interpretation of the trust conditions of each gift will be recorded in the Gift Register.

(c) AC's interpretation of the trust conditions as stated in the Gift Register will bind all staff and affiliates of AC.

(4) Gift administration program

a) The Executive will determine and oversee the implementation of an annual gift administration program.

b) The gift administration program will:

(i) consist of an indicative timetable of activities needed to administer the gift portfolio, including activities necessary for the curation, maintenance, storage and exhibition of non-financial gifts; and

(ii) detail the allocation of responsibility for undertaking those activities.

(c) Ad hoc administration steps will be taken, and reports generated, from time to time as required.

(5) Rationalisation - where practicable, and in accordance with applicable trust conditions, gifts will be consolidated and rationalised to achieve administrative economies.

(6) Remediation

(a) The Executive will develop measures to monitor compliance with trust conditions.

(b) If non-compliance is identified, the Executive will take all appropriate steps to remedy this non-compliance.

Gift Register

(1) The Executive will establish and maintain a register of AC's gifts.

(2) The register will record the following information for each gift:

(a) the nature and value of the gift;

(b) where appropriate, the identity of the donor;

(c) the trust conditions;

(d) an appropriate record and/or account number;

(e) in the case of non-financial gifts, the location of the gift; and

(f) any other information considered to be appropriate.

Other roles and responsibilities relating to gift administration

(1) The roles and responsibilities of units and officers of AC which are referred to in this clause are subject to the overall supervision and direction of the Executive.

(2) Financial Services - The Vice President Operations will establish appropriate financial arrangements to implement this policy, including:

(a) determining the amount available for spending for capital preserved trusts and protected accounts;

(b) maintaining a subset of accounts specifically for the administration of gift funds and ensuring that:

(i) there is an auditable trail of activity in relation to the use of gift funds;

(ii) gift accounts are solely used to administer gift funds;

(iii) gifts are administered solely using gift accounts; and

(iv) appropriate account numbers are used for gifts.

(c) providing information on gift accounts to the Executive as necessary; and

(d) developing reporting needed to:

(i) support administrative activity and decision-making by those responsible for administering trusts; and

(ii) determine whether AC is properly acquitting its obligations.

(3) Advancement Office

(a) The Advancement Office is responsible for:

(i) ensuring that all relevant information relating to gift administration is appropriately conveyed to donors and related stakeholders;

(ii) acting as principal point of contact for maintaining the donor community's confidence in, and good will towards, AC in relation to the administration of gifts.

(iii) receiving, processing, banking and receipting donation and Bequest monies;

(iv) maintaining an electronic register of donation and Bequest monies received;

(v) maintaining an electronic register of pledged funds;

(vi) managing bequests and corresponding with executors;

(vii) educating AC and the broader community in relation to the nature and impact of donations;

(viii) ensuring that AC complies with government regulation; and

(ix) ensuring that AC staff and volunteers adhere to procedures related to donations.

Reporting

The Executive will prepare an annual report for the Advancement Committee and Council detailing the extent to which AC complies with its trustee and gift administration obligations.

Privacy

To process donations, AC collects and records personal information provided such as: name; address; phone; email; gender; and date of birth. AC may also collect personal information through public sources, AC enrolment records and alumni records.

AC will only profile donors with their consent. Wherever practical, AC will seek to obtain written consent prior to using photographs or other images.

AC will undertake all reasonable steps to ensure the secure storage of personal information provided both in soft and hard copy. AC will not disclose donor's personal information to a third party for any reason without the consent of the donor.

Naming

Naming may be used to convey to the public the values inherent in the philosophy of AC.

Scholarships, Chairs, and AC buildings, rooms and facilities may be named for a particular person, such as:

- a major benefactor;
- an eminent fellowship member;
- a person who has had significant influence on AC's formation.

All proposed names for buildings, rooms and facilities will be submitted to the Council for approval. AC reserves the right to withdraw a name recognition which may morally, ethically or legally expose AC or result in adverse publicity.

Responsible for implementation

President

Key stakeholders

All staff and donors