Philanthropic Donations Procedure

Policy Code: CE2012

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Purpose

This procedure outlines the framework for administering philanthropic gifts to Federation University Australia and the Federation University Australia Foundation. The Advancement Unit is responsible for the processing, receipting and reporting of all philanthropic income for Federation University Australia.

The procedure seeks to be compliant with all relevant Australian charitable and tax legislation.

Scope

All areas within Federation University Australia, including the Federation University Australia Foundation.

The scope of this procedure includes gifts of money and property such as real estate, shares, stock and equipment, and cultural gifts. Donors may be individuals, corporations, charitable trusts, foundations, private ancillary funds (PAFs) and other organisations.

Exclusions

The following are not philanthropic gifts, and are excluded from this policy:

- Government funds
- Researching funding activities and donor management
- Cultural gifts and donations of historical materials, artworks and Library-type materials
- Commercial income including sponsorships
- Services provided at no charge (pro bono services)
Legislative Context

- Federation University Australia Act 2010
- Financial Management Act 1994

Definitions

A complete list of definitions relating to this Procedure can be found in the Federation University Australia Donations Policy

Actions

Donor relations

Upon receiving a gift or pledge, the efficient management of donor relations is critical for maintaining donor loyalty and recurring support.

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>RESPONSIBILITY</th>
<th>STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Negotiations with donor</td>
<td>Fundraiser/s Advancement Unit</td>
<td>Initial negotiations will be held with potential donors in relation to a gift or pledge. The negotiations will consider whether the gift is a tied gift or untied gift, and whether any recognition will be given to the gift.</td>
</tr>
<tr>
<td></td>
<td>Director, Marketing Advancement and Community Engagement</td>
<td></td>
</tr>
<tr>
<td>2 Verification of gift or pledge</td>
<td>Advancement Unit Director, Marketing Advancement and Community Engagement</td>
<td>Upon receipt of a potential gift or pledge, the Advancement Unit will contact both Finance and Legal and when required, to determine if the gift or pledge meets the University’s DGR status and is compliant with the University’s gifts Policy.</td>
</tr>
<tr>
<td>3 Assessment of potential gift</td>
<td>Director, Marketing Advancement and Community Engagement Deputy Vice-Chancellor (Engagement) Vice-Chancellor and Deputy Vice-Chancellor (Engagement)</td>
<td>The Director, Marketing Advancement and Community Engagement may refer gifts of less than $10,000 to the Committee or to members with delegated authority where there may be an issue of principle involved. Recommendations to the Advancement Committee or to members with delegated authority will be made by the Director,</td>
</tr>
<tr>
<td></td>
<td>$10,000 - $99,999.99  Advancement Committee /</td>
<td></td>
</tr>
<tr>
<td>ACTIVITY</td>
<td>RESPONSIBILITY</td>
<td>STEPS</td>
</tr>
<tr>
<td>----------</td>
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<td>-------</td>
</tr>
<tr>
<td>$100,000.00 - $249,999.99</td>
<td>Chancellor</td>
<td>Marketing Advancement and Community Engagement for all gifts valued at $10,000 and above. The Vice-Chancellor and/or Deputy Vice-Chancellor (Engagement) may refer a gift valued at less than $250,000 to all members of the Advancement Committee for approval if there is a concern or an issue of principle. Offers of gifts valued at $250,000 and above will be submitted to all members of the Advancement Committee. The acceptance or non-acceptance of a gift will be determined by the responses of at least three members of the Committee. If a majority decision cannot be reached, the Chancellor’s decision will prevail.</td>
</tr>
<tr>
<td>$250,000.00 and above</td>
<td>Advancement Committee</td>
<td>Decisions about the acceptance or non-acceptance of gifts will be conveyed to the Director, Marketing Advancement and Community Engagement by the Advancement Committee or by members with delegated authority within three (3) working days of submission however the time period for a decision may be extended if there is a concern or an issue of principle. The University retains absolute discretion to refund a gift if it sees fit.</td>
</tr>
<tr>
<td>4 Acceptance or denial of a gift or pledge</td>
<td>Advancement Unit</td>
<td>Ensure a Gift Agreement is in place for fundraising activities over $10,000 • Obtaining approval of the Vice-Chancellor or delegated officer for all Gift Agreements</td>
</tr>
</tbody>
</table>
| 5 Gift Agreement | Director, Marketing Advancement and Community Engagement | }
<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>RESPONSIBILITY</th>
<th>STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Processing a Bequest</td>
<td>Advancement Unit</td>
<td>• Ensuring funds received through fundraising are used in strict accordance with the relevant Gift Agreement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• When accepting a bequest, the donor is advised to use the following wording.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Depending on the value of the bequest, the bequest will be assessed by the relevant delegated authority as per the assessment of gifts procedure.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Once approved, follow either the pledge processing or gift processing procedure.</td>
</tr>
<tr>
<td>Processing a property bequest</td>
<td>Advancement Unit</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• The following should be used if a specific property bequest to one</td>
</tr>
<tr>
<td>ACTIVITY</td>
<td>RESPONSIBILITY</td>
<td>STEPS</td>
</tr>
<tr>
<td>----------</td>
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<td>-------</td>
</tr>
<tr>
<td>of the University’s programs is to be made:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>“I GIVE to Federation University Australia of University Drive, Mount Helen in the State of Victoria or its successors in law, the sum of $...... or $......... of my residual estate (&quot;the gift&quot;) and request that the gift shall be applied for the general purpose of …………………….. (name of program) or …………………….. (scholarship) within the Federation University Australia. AND I DIRECT that, should the specific or general intention of my bequest fail for any reason, then I GIVE the gift to the Vice-Chancellor of the University for the time being, to be applied in as similar a way as possible to my original intention as the Vice-Chancellor decides in his or her absolute discretion.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• AND I FURTHER declare that the official receipt of the Vice-Chancellor or any other proper authorised officer of the University shall be sufficient to discharge to my Executor for the gift”.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Depending on the value of the bequest, the bequest will be assessed by the relevant delegated authority as per the assessment of gifts procedure.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Once approved, follow either the pledge processing or gift processing procedure.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>8</th>
<th>Processing a gift received by cash, cheque, credit card</th>
<th>Advancement Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Process into Contributor Relations</td>
<td></td>
<td></td>
</tr>
<tr>
<td>All gifts of cash, cheque or credit card must be entered into Contributor Relations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Revenue Collection Reconciliation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Once processed, a Revenue Collection Reconciliation form needs to be produced from Contributor Relations.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ACTIVITY</td>
<td>RESPONSIBILITY</td>
<td>STEPS</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>---------------------------</td>
<td>----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>3. Finance Receipt / Tax Invoice</td>
<td></td>
<td>The Revenue Collection Reconciliation form needs to be signed and taken to Finance to be processed with the cash, cheque or credit card payment. Finance will produce a receipt / tax invoice and provide a stamped copy of the Revenue Collection Reconciliation form showing that the payment has been received by Finance.</td>
</tr>
<tr>
<td>4. Produce Gift Receipt</td>
<td></td>
<td>An official tax deductible gift receipt or non tax-deductible gift receipt is then to be produced from Contributor Relations.</td>
</tr>
<tr>
<td>5. Thank you letter</td>
<td></td>
<td>A thank you letter and official gift receipt must be sent to the donor within five (5) working days of the gift being received.</td>
</tr>
</tbody>
</table>
| 9 Processing a gift received by BPAY or Direct Deposit | Advancement Unit         | 1. Create a Tax Invoice A Tax Invoice must firstly be created through myFinance.  
2. Process into Contributor Relations Once the tax invoice has been paid, the gift by BPAY or Direct Deposit must be entered into Contributor Relations.  
3. Produce Gift Receipt An official tax deductible gift receipt or non tax-deductible gift receipt is then to be produced from Contributor Relations.  
4. Thank you letter A thank you letter and official gift receipt must be sent to the donor within five (5) working days of the gift being received. |
<p>| 10 Processing a gift received through Council Remuneration | Advancement Unit         | 1. Council Remuneration Pledge form Council members interested in donating to the Federation University Australia Foundation fill out a Council remuneration form.                                                                                                                                                               |</p>
<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>RESPONSIBILITY</th>
<th>STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>This data is then entered into Contributor Relations as a pledge for the next 12 month period.</td>
</tr>
</tbody>
</table>
|          |               | **2. Payroll**  
Advancement Unit staff will download data from the University’s PowerBudget system showing all Council members giving to the Federation University Australia Foundation on a monthly basis. |
|          |               | **3. Process into Contributor Relations**  
Advancement Unit staff then upload a file from PowerBudget on a monthly basis into Contributor Relations. |
|          |               | **4. Produce Gift Receipt**  
At the end of the financial year, an official tax deductible gift receipt or non tax-deductible gift receipt is then to be produced from Contributor Relations. |
|          |               | **5. Thank you letter**  
A thank you letter and official gift receipt must be sent to all Council donors at the end of the financial year. |
|          |               | **1. Staff Giving Pledge form**  
Staff members interested in donating to the Federation University Australia Foundation fill out a staff giving form. This data is then entered into Contributor Relations as a pledge for the next 12 month period. |
|          |               | **2. Payroll**  
Advancement Unit staff will download data from the University’s PowerBudget system showing all staff giving to the Federation University Australia Foundation on a monthly basis. |
|          |               | **3. Process into Contributor Relations**  
Advancement Unit staff then upload a file from PowerBudget on a monthly basis into Contributor Relations. |
|          |               | **4. Produce Gift Receipt**  
At the end of the financial year, an official tax deductible gift receipt or non tax-deductible gift receipt is then to be produced from Contributor Relations. |
|          |               | **5. Thank you letter**  
A thank you letter and official gift receipt must be sent to all Council donors at the end of the financial year. |
|          |               | **1. Staff Giving Pledge form**  
Staff members interested in donating to the Federation University Australia Foundation fill out a staff giving form. This data is then entered into Contributor Relations as a pledge for the next 12 month period. |
|          |               | **2. Payroll**  
Advancement Unit staff will download data from the University’s PowerBudget system showing all staff giving to the Federation University Australia Foundation on a monthly basis. |
|          |               | **3. Process into Contributor Relations**  
Advancement Unit staff then upload a file from PowerBudget on a monthly basis into Contributor Relations. |
<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>RESPONSIBILITY</th>
<th>STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>a monthly basis into Contributor Relations.</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>4. Produce Gift Receipt</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>At the end of the financial year, an official tax deductible gift receipt or non tax-deductible gift receipt is then to be produced from Contributor Relations.</td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>5. Thank you letter</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>A thank you letter and official gift receipt must be sent to all staff donors at the end of the financial year.</td>
</tr>
<tr>
<td><strong>12</strong> Processing a pledge</td>
<td>Advancement Unit</td>
<td><strong>1. Process into Contributor Relations</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Upon approval, the pledge must be entered into Contributor Relations, creating a pledge payment schedule, and whether any pledge reminders need to be sent.</td>
</tr>
<tr>
<td><strong>13</strong> Receipt / Thank you letter</td>
<td>Advancement Unit</td>
<td>The Advancement Unit will produce receipts for all individuals and organisations that make gifts to the University within five (5) working days of the gift.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>All receipts must contain the following information:</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Name of the donor making the gift</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Name of the fund or institution to which the gift is made</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• University’s Australian Business Number (ABN)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Date the gift was received</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Amount of money donated</td>
</tr>
<tr>
<td></td>
<td></td>
<td>A thank you letter will be sent to the donor with the official gift receipt advising the donor on the use of the funds donated and the impact of their giving.</td>
</tr>
</tbody>
</table>

**Fundraising campaigns and initiatives**
The University must ensure that all fundraising activities which the University engages in, either directly or indirectly through an external body, comply with the gifts Policy.

Each individual fundraising campaign / initiative must be processed separately according to this procedure.

No member of the University may finalise approaches for fundraising purposes unless coordinated with, and approved through the Advancement Unit.

<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>RESPONSIBILITY</th>
<th>STEPS</th>
</tr>
</thead>
</table>
| 1 Determine the type of fundraising activity to be undertaken | All fundraiser/s Advancement Unit | Choose the type of fundraising activity to be undertaken eg:-  
• Direct mail  
• Social functions such as dinners, receptions etc.  
• Web pages to solicit gifts  
• Advertisements in publications or other trade journals |
| 2 Complete a Fundraising Request Form | All fundraiser/s Advancement Unit  
Vice-Chancellor  
Deputy Vice-Chancellor (Engagement)  
Deputy Vice-Chancellor (Research and Innovation) | A fundraising request form must be completed for all fundraising campaigns and initiatives.  
The fundraising request form must include a donor list and the proposed fundraising material to be used.  
The Vice-Chancellor must approve all University-wide fundraising campaigns and initiatives.  
The Deputy Vice-Chancellor (Engagement) must approve all fundraising campaigns and initiatives for Faculties.  
The Deputy Vice-Chancellor (Research and Innovation) must approve all research funding applications where the income received is a donation. |
| 3 Donor List | Advancement Unit | A complete list of the potential and/or current donors for the fundraising activity must be provided before beginning or upon ratification of the fundraising activity.  
Only potential and/or current donors approved via the fundraising request form can be contacted. |
### Naming rights

The University’s Naming of Buildings and Facilities Guidelines should be referred to in relation to any naming rights, naming of University buildings and naming of parts of buildings, rooms, other University areas or facilities.

The Naming Rights for University assets, equipment, services or scholarships not covered by the University’s Naming of Buildings and Facilities Guidelines shall be determined by the Advancement Committee.

### Prospect management

#### Prospective Donors

Under the auspices of the Deputy Vice-Chancellor (Engagement), the Director, Marketing Advancement and Community Engagement is responsible for managing the University’s relationship with prospective donors.

The Director, Marketing Advancement and Community Engagement may delegate the responsibility for managing relationships with prospective donors as is required.

Records of prospective donors will be held by the Advancement Unit.

#### Accountability

The University’s accounts are subject to audit by internal and external auditors. The Advancement Unit takes responsibility for tracking the progress made on projects funded by donors and for reporting back to donors regularly. Some donors have specific reporting requirements and timelines which are documented by the Advancement Unit to ensure compliance with the donor expectations.
<table>
<thead>
<tr>
<th>ACTIVITY</th>
<th>RESPONSIBILITY</th>
<th>STEPS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Always complete the contact report as soon as possible after an interaction with a prospect to ensure that you remember significant details.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>When possible the contact report information should be entered directly into Contributor Relations and filed with the Advancement Unit.</td>
</tr>
<tr>
<td>2 Research</td>
<td>Fundraiser/s Advancement Unit Director, Marketing Advancement and Community Engagement</td>
<td>Research is undertaken on key information about each prospect such as giving history and priority giving areas.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>When possible the research information should be entered directly into Contributor Relations and filed with the Advancement Unit.</td>
</tr>
<tr>
<td>3 Analysis</td>
<td>Fundraiser/s Advancement Unit Director, Marketing Advancement and Community Engagement</td>
<td>Once research has been undertaken, ‘ratings’ will be assigned to a prospect in accordance to a key criteria, such as capacity to give, an inclination to give, strength of connection / affinity to the university, readiness to give and predicted level of giving.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Once a key criteria has been assigned, the fundraiser/s will work with the Advancement Unit in relation to proposed timeframe for the targeted ask.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>When possible the key criteria information should be entered directly into Contributor Relations and filed with the Advancement Unit.</td>
</tr>
<tr>
<td>4 Solicitation strategy</td>
<td>Fundraiser/s Advancement Unit</td>
<td>The fundraiser’s in conjunction with the Advancement Unit will devise and assign a solicitation strategy to each prospect, which could include contact methods, identifying when the prospect may be invited to an event, which staff member will be introduced to the prospect, and an appropriate project that may interest the prospect.</td>
</tr>
</tbody>
</table>
### Supporting Documents

- University’s [Investment Policy](#)
- Advancement Committee Terms of Reference
- [Federation University Australia Foundation Revenue Collection Policy](#)
- [Federation University Australia Foundation Revenue Collection Procedure](#)
- [Naming of Building and Facilities Guidelines](#)

### Responsibility

1. The University, through the Marketing, Advancement and Community Engagement (MAC) division, employs staff responsible for providing administrative support for gifts.

2. The Deputy Vice-Chancellor Engagement is responsible for overseeing the strategic direction of philanthropy for Federation University Australia and the Foundation, and is Chair of the Federation University Australia Advancement Committee.

3. The Director, MACE, is responsible for the day to day management of the Advancement Unit and meeting the strategic objectives of the University and the Foundation, and is a member of the Federation University Australia Advancement Committee.

4. The Advancement Unit is responsible for:
   - coordinating and providing strategic support and guidance to the Advancement Committee;
   - supporting Contributor Relations;
   - administration duties in relation to fundraising for the University and the Foundation on a day to day basis;
   - seeking necessary advice and input from other resources (e.g. Finance, Legal, consultants etc.)

### Promulgation

The [Philanthropic Donations Procedure](#) will be communicated throughout the University via:

1. an Announcement Notice under ‘FedNews’ website and through the University Policy - ‘Recently Approved Documents’ webpage to alert the University-wide community of the approved Policy;

2. inclusion on the University Policy, Procedure and Forms website; and/or

3. inclusion on the relevant Federation University Australia website and Federation University Australia Foundation website page;

4. advising the Federation University Australia Advancement Committee of the approval.

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**Warning - Uncontrolled when printed!** The current version of this document is kept on the FedUni website.
Implementation

The Philanthropic Donations Procedure will be implemented throughout the University via publication on the website page.

Records Management

All donations and donor engagement must be recorded in the University's donor management system Contributor Relations.

<table>
<thead>
<tr>
<th>Title</th>
<th>Location</th>
<th>Responsible Officer</th>
<th>Minimum Retention Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accounts and records</td>
<td>Various</td>
<td>Chief Financial Officer or delegate</td>
<td>7 years</td>
</tr>
<tr>
<td>Advanced Unit</td>
<td></td>
<td>Advancement Unit</td>
<td></td>
</tr>
<tr>
<td>Assessment of potential gift</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Acceptance or denial of a gift or</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>pledge</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bequest / Will (monetary / property)</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Contact Report</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Donor information</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Donor list</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Fundraising campaigns and initiatives</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Fundraising materials</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Fundraising request form</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Gift Agreement</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Grants</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Pledge forms</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Prospective donor information</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Staff and Council contribution forms</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Stewardship donor information</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Tax receipts</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
<tr>
<td>Thank you letters</td>
<td>Various</td>
<td>Advancement Unit</td>
<td>7 years</td>
</tr>
</tbody>
</table>