



## **DONATION POLICY**

### **1.0 Objects of the Trust**

*"The Trustees shall stand possessed of the Trust Fund upon trust to be applied for charitable, cultural, philanthropic, recreational and other purposes being purposes beneficial to the community principally in the specified area."*

Amended Trust Deed – 30 March 2015, Section 4. Paragraph a.

### **2.0 Purpose**

- 2.1** The purpose of making donations is to:
  - 2.1.1 Generally provide supplementary funding support rather than act as a principal funding source.
  - 2.1.2 Focus on supporting an organisation by providing funding at a time best suited to their needs.
  - 2.1.3 Recognise the continuing and invaluable work of the voluntary sector.
- 2.2** The Trustees will assess applications for donations against this policy, the criteria and any guidelines that may be developed and reviewed from time to time by the Trust.
- 2.3** This Policy will be reviewed annually by the Trust with any reviews taking into account feedback received from donee organisations and the results of any surveys that are conducted from time to time by the Trust.

### **3.0 Criteria for applications**

- 3.1** Donation applicants will be categorised according to geographical location and type of activity.
- 3.2** Generally organisations should apply for funding only once within the Trust's financial year.
  - 3.2.1 Exceptions will be made for organisations that operate a food bank where one of the two applications relates to funding for the foodbank.
- 3.3** Applications will be considered from:
  - 3.3.1 An incorporated society.
  - 3.3.2 A registered charitable trust.
  - 3.3.3 A body or club controlled by an association of persons under an adopted constitution that has audited or reviewed accounts and an annual report.
  - 3.3.4 Not-for-profit community based, parent-led playcentres, playgroups and youth groups.
  - 3.3.5 The above organisations that will govern and/or manage and/or own the

activity/project/asset. Consideration will be given to applications from lease holders, dependant on the conditions of the lease agreement.

3.3.6 Community owned Trusts, or other similar incorporated entities, that hold monies on behalf of other community organisations or event organisers. In such cases applications should be completed in the name of the community-owned Fundholder/Trust, and they will assume responsibility for meeting all of the Community Trust's accountability requirements.

**3.4** Applications will not be considered from:

3.4.1 Individuals or groups seeking to provide funding assistance to individuals.

3.4.2 Organisations and groups operating for private profit.

3.4.3 Commercial entities.

3.4.4 Primary schools, secondary schools, kindergartens and community based teacher-led early learning centres that are eligible for annual formula funding from the Trust (*subject to the policies relating to early learning centre, kindergarten, primary and secondary schools donations below*).

3.4.5 Fundraising organisations when the individual organisations that they are fundraising for may apply directly to the Trust.

**3.5** Applications will not be considered for:

3.5.1 Projects that the trustees consider are the primary responsibility of local or central government.

3.5.2 Completed or retrospective projects as at the time of applications being considered.

3.5.3 Projects that do not specifically benefit the community of the Mid and South Canterbury region.

3.5.4 Costs relating to attendance at out-of-region conferences, education, tournaments, competitions, tours etc.

## **4.0 Closing dates for applications**

**4.1** Applications for up to \$10,000 will close on the 3<sup>rd</sup> Friday of each month other than November and December. Applications for up to \$10,000 are considered at the Trust meeting the month following the closing date, apart from December and January.

**4.2** Applications for more than \$10,000 will close on:

- 3<sup>rd</sup> Friday in March (to be considered in May)
- 3<sup>rd</sup> Friday in September (to be considered in November).

**4.3** Trust meetings are usually held the last Monday of each month. There is no Trust meeting in December.

## **5.0 Conditions of donations**

- 5.1** The following conditions will be attached to any donation made by the Trust:
- 5.1.1 The recipients shall complete an Accountability Report using the approved template.
  - 5.1.2 A standard donation will be spent within twelve months from the date that it is uplifted unless special arrangements can be made with the Trust. Where a donation has not been spent within twelve months an application for an extension should be made to the Trust or the funds returned if no longer required for the original purpose.
  - 5.1.3 When a donation has not been uplifted within 12 months a written update of the project may be requested detailing why this has not occurred. The Community Trust may wish to review the terms of the donation.
  - 5.1.4 The donation will not be paid unless the Trust is satisfied that the balance of the funding is in hand and that the project can be completed.
  - 5.1.5 If required by the Trust, the recipient agrees to a project audit being carried out.
  - 5.1.6 Unless specifically authorised by the Trust, the donation must be used for the specific project applied for, with any conditions applied by the Trust to the donations being adhered to.
  - 5.1.7 It is the responsibility of the donee to declare any income received from the Trust and to pay any taxes that may be incurred as a result of that donation income.
  - 5.1.8 The Trust has the right to publicise any donation made.
  - 5.1.9 The donee organisation shall acknowledge any donation made by the Trust in the Annual Report of the organisation and wherever possible in accordance with the Acknowledgement Guidelines.

## **6.0 Special Project funding**

- 6.1** The Community Trust may commit to funding Special Projects from time to time. Such projects would be considered where specific benefits within the community are the focus of the funding.
- 6.2** The funding of Special Projects may be a one-off donation or the Community Trust may undertake to make it a multi-year funding project (See #7.0 Multi-year donations).
- 6.3** Once per annum the Community Trust may at its discretion approve foodbank funding on request by a relevant organisation without the need for a formal application. Such projects remain subject to the conditions of donations including all reporting and acknowledgement requirements.

## **7.0 Multi-year donations**

- 7.1** The Community Trust may choose to support an organisation through multi-year funding commitments where it is considered that such support will enable the organisation to:
  - 7.1.1 Better achieve its mission and provide ongoing quality services.
  - 7.1.2 Undertake long term planning, service delivery or programme development.
  - 7.1.3 Strengthen organisational capability and capacity.
- 7.2** Organisations can request to be considered for multi-year funding or the Community Trust can proactively identify such organisations as part of the application enquiry process.
- 7.3** Multi-year donation commitments are preferably to be made from the current year's budget but can be allocated to subsequent budgets at the discretion of the Board.
- 7.4** Multi-year funding will be spent within the conditional timeframe (up to 3 years) set by the Community Trust.
- 7.5** Multi-year donations and projects are to be monitored and reviewed on an annual cycle, or more frequently if requested, and milestone reports must meet the satisfaction of the Community Trust prior to the payment of the next instalment.
- 7.6** Where multi-year funding occurs for a specific project the Community Trust, at its discretion, may consider donation applications from that organisation for another project at 12 monthly intervals.

## **8.0 Guidelines for applicants**

- 8.1** When submitting an application for funding assistance the applicant should ensure that the following information, where applicable, is clearly evident:
  - 8.1.1 The purpose or mission of the applicant's organisation with services or programmes provided.
  - 8.1.2 Previous donations received from the Community Trust including the date, amount and purpose of each donation.
  - 8.1.3 A summary of the proposed project including the scope, purpose, rationale or context, and planned activities.
  - 8.1.4 An explanation of the way in which the donation will contribute to the benefit, well-being and/or enjoyment of the community (outcome data to

- include proposed timeframes, indicators and verification methods).
- 8.1.5 An explanation of how this will further the Community Trust goal of achieving a healthy, vibrant and caring community.
  - 8.1.6 The number and demographic (ethnicity, age and gender) of people in the local community who will benefit from the project.
  - 8.1.7 The full project budget including the amount being contributed by the applicant to the project – generally at least half the cost is expected to be raised by the applicant.
  - 8.1.8 The extent of collaboration with other funders.
  - 8.1.9 For any restoration project, the historical category classification, amount of community use and historical significance.
  - 8.1.10 The ownership of any capital items purchased as part of the project.
  - 8.1.11 The availability of other services or projects that may overlap with the applicant’s service or project.
  - 8.1.12 The manner in which the ongoing costs of the project will be sustained including both financial and non-financial inputs.
  - 8.1.13 The current financial status of the applicant including, where available, the latest audited annual reports and current banking and investment statements
  - 8.1.14 Evidence of community support for the proposed project.
  - 8.1.15 Where an application is made by a national or regional body applying on behalf of a local branch for a specific local project or for the local aspects of a national project, financial information, including budgets and financial statements, must be provided for the local branch or the local project. Details of the way in which the local community will benefit, including numbers of people, should also be provided.
- 8.2** Advice may be sought from the Community Relations Manager at the Community Trust.

## **9.0 Early learning centre, kindergarten, primary and secondary school donations**

- 9.1** The purpose is to provide funding that will enable disadvantaged students to take an active role in the organisation’s core activities. Core activities are defined as those activities in which all students participate. The use of such funding is at the discretion of the head of education within the organisation.
- 9.2** Donations will be made to each community based teacher-led early learning centre at the same rate as that for

kindergartens (#9.3 below). Community based parent-led early learning centres do not receive the formula funding, but can apply for general donations.

- 9.3** Donations to Kindergartens will be made to area associations in accordance with an agreed formula.

<b>Group</b>	<b>Allocation</b>
Kindergartens	\$500
Mobile kindergarten	\$500 only

- 9.4** The schools funding formula is based on the March roll, with a minimum amount of \$600 and decile rate weighting as below. The following exceptions apply;

- Waihi School – fully private – no funding
- Craighead Diocesan School funded at 50% of the rate for same decile school, as agreed with the Principal.

<b>School Decile rating</b>	<b>Funding per pupil</b>
1	\$16
2	\$16
3	\$16
4	\$15
5	\$14
6	\$12
7	\$11
8	\$11
9	\$11
10	\$11
Average per pupil	\$12.00

- 9.5** Without detracting from the present policy of making formula based donations to early learning centres, schools and kindergartens, Trustees may consider the special needs of the early learning centres, schools and kindergartens when the asset is vested in community ownership. The Trust must be satisfied that some long term improvement can be achieved for the pupils and that there will be long term benefit for the community.

- 9.6** The Community Relations Manager of the Trust will, on an annual basis, obtain the roll and decile rating of the schools to be funded, along with the number of kindergartens and mobile kindergartens and present a report to the Trustees detailing costs for the year ahead.

- 9.7** Each early learning centre, kindergarten and school funded is expected to complete an Accountability Report detailing how the donation was utilised.

## **10.0 Collaborative funding**

- 10.1** From time to time the Community Trust may wish to approach another funder, or funders (other than a Community Trust), towards the collaborative funding of a project.

- 10.2** Any such strategy shall first be presented to the Community Trust Board of Trustees, in the form of a discussion document and the proposal agreed to by the trustees, before any formal approach is made to other funders.
- 10.3** Should the Trustees decide to proceed with a collaborative funding project this may be achieved by way of special funding or through the application process.
- 10.4** Should a funder (other than a Community Trust) approach this Trust regarding a collaborative funding project, the Trust Chair and staff will meet with them to discuss the proposal. All Trustees are to be notified of the meeting.
- 10.5** The representatives will remain non-committal and bring the proposal to a meeting of the full Trust where a decision will be made regarding the merits of collaborating and the benefits to the community of the project.
- 10.6** Should Trustees decide to proceed on a collaborative funding basis with another funder or funders, this may be achieved either by special funding or through the application process.

## **11.0 Collaboration with community trusts**

- 11.1** From time to time all Trusts receive applications that have national benefit. The following process has been agreed by all Trusts.
- 11.2** Before an application is promoted to other Trusts it must be within the policy and guidelines of the host Trust, approved for nationwide submission and their pro-rata share of the required funding approved.
- 11.3** The host Trust is to circulate a copy of the Board papers, which must include:
  - 11.3.1 A covering memo outlining the merits of the project,
  - 11.3.2 A copy of or extract from the application to the host Trust,
  - 11.3.3 The applicant's annual accounts and organisation details including taxation status
  - 11.3.4 A joint funding proposal which by default will be based on a pro-rata allocation, based on the average of the last three years' annual donations as spent by each Trust. If an alternative funding proposal is presented, the rationale for this should be explained.
- 11.4** Alternatively, if the Nationwide application is recommended by the Chairperson's Group for consideration then one Trust must assume the role of host Trust and act in accordance with this policy.
- 11.5** The host Trust will remain the point of contact throughout the project and agrees to obtain any additional information requested by the other Trusts.
- 11.6** All Trusts are to advise the host Trust of their expected decision date, upon receipt of the Nationwide application, and

the approval or decline donation decision and amount as soon as possible.

**11.7** Once sufficient funding has been confirmed from participating Trusts for the project to be viable, then the host Trust will notify all the Trusts. Those Trusts that have approved funding will either be invoiced by the host Trust for the amount approved or alternatively these Trusts can pay the organisation/group direct.

**11.8** If requested by the majority of participating Trusts, an audit of the donation will be arranged by and at the cost of the host Trust. Once completed the result of the audit shall be shared with the participating Trusts by the host Trust.

*Approved February 2018*