



# RECEIPTING AND ADMINISTRATION OF UNSW FUNDRAISING INCOME PROCEDURE

Policy Hierarchy link	<b>Framework for Development at UNSW</b>		
Responsible Officer	Chief Executive UNSW Foundation Director of Finance		
Contact Officers	Deborah Samuels ext: 58417 <a href="mailto:d.samuels@unsw.edu.au">d.samuels@unsw.edu.au</a>		
Superseded Documents	N/A		
File Number	2011/00278		
Associated Documents	<p><i>Commercial Activities – Operational Guidelines for relevant period</i></p> <p><i>UNSW Guidelines for Commercial Activities</i></p> <p><i>Accounting Manual</i></p> <p><i>Non-Contractual Research Funds procedure</i></p> <p><i>Research Grants – Administration and Accounting Procedures</i></p> <p><i>Naming Rights Policy</i></p> <p><i>Guidelines – Gift Acknowledgement For Documenting And Administering Fundraising Contributions To The University Of New South Wales For A Specific Purpose, developed for the UNSW Foundation Limited, 17 March 2010.</i></p> <p><i>Chart of Accounts Guidelines</i></p> <p><i>UNSW 2011 – 2013 Budget Companion</i></p>		
<b>Version</b>	<b>Authorised by</b>	<b>Approval Date</b>	<b>Effective Date</b>
1.0	Executive Director, Finance and Operations	6 February 2011	1 January 2011

## Contents

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1	Purpose and Scope .....	3
2	Donat_UNSW .....	3
2.1	Documenting fundraising contributions .....	4
2.2	Opening a new project in Donat_UNSW .....	4
2.3	Opening a project in the Faculty/Division .....	5
2.4	When to close a project .....	5
2.5	Revenue Receipting.....	6
2.5.1	Conferences and other events .....	7
2.5.2	Preparing the receipt.....	7
2.5.3	Ensemble and LIME.....	8
2.5.4	Recognising internal revenue in Faculty/Division .....	8
2.6	Disbursement.....	8
2.7	Using FC101.....	9
2.8	Relevant account codes.....	10
2.9	Calculation of interest and interest distribution .....	10
2.10	Raising an invoice.....	10
2.11	Raising a pledge reminder .....	11
2.12	RF222.....	11
2.13	Workplace Giving for UNSW staff .....	11
2.14	Workplace giving to UNSW by staff of other organisations.....	11
2.15	Reporting .....	12
2.16	The Budget process.....	12
	Appendix A: Diagrams .....	13
	Appendix B: External Workplace Giving Process .....	20
	Appendix C: Framework for Development at UNSW .....	<b>Error! Bookmark not defined.</b>
	Appendix D: Definitions.....	21
	Appendix E: History .....	24

## 1 Purpose and Scope

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*The Framework for Development at UNSW* (see Attachment C) outlines the structure for fundraising at the University of New South Wales (UNSW). This Procedure sets out the processes for receipting and accessing fundraising income at UNSW.

This Procedure does not address specific legal or taxation issues which are addressed in the *Guidelines – Gift Acknowledgement For Documenting And Administering Fundraising Contributions To The University Of New South Wales For A Specific Purpose* which was developed for the UNSW Foundation Limited.

The fundraising effort is the responsibility of the Chief Executive of the UNSW Foundation. As outlined in the *Framework for Development at UNSW*, the Foundation Office (the division of UNSW) has responsibility for the administrative support for all fundraising income to UNSW.

All staff involved in fundraising activities, including development managers, finance managers, general managers, administration managers, general finance staff, and staff employed in the Foundation Office, must comply with these Procedures.

## 2 Donat\_UNSW

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Donat\_UNSW is the Department ID in NSFinancials (NSF) where all the financial activity related to fundraising is recorded. Transactions in Donat\_UNSW can only be made by Foundation Office staff. Donat\_UNSW is divided into a number of sub-departments to ensure each Faculty/Division has access to the information relevant to that Faculty/Division as listed below.

<b>Dept ID</b>	<b>Short Description</b>	<b>Long Description</b>
DONAT_LAW	Law	Law Fundraising Contributions
DONAT_ENG	Engineering	Engineering Fundraising Contributions
DONAT_FASS	FASS	FASS Fundraising Contributions
DONAT_MED	Medicine	Medicine Fundraising Contributions
DONAT_SCI	Science	Science Fundraising Contributions
DONAT_FBE	FBE	FBE Fundraising Contributions
DONAT_COFA	Fine Arts	COFA Fundraising Contributions
DONAT_ASB	Business	Business Fundraising Contributions
DONAT_ADFA	Defence	ADFA Fundraising Contributions
DONAT_UNIW	Uni Wide	Uni wide Fundraising Contributions
DONAT_SPOR	Sport & Rec	Sport & Rec Fundraising Contributions
DONAT_DVCA	DVC (Academic)	DVC (Academic) Fundraising Contributions
DONAT_DVCR	DVC (Research)	DVC (Research) Fundraising Contributions
DONAT_USRV	Uni Services	University Services Fundraising Contributions
DONAT_CENT	Central Control	Central Control Fundraising Contributions
DONAT_CoOp	Co-Op Program	Co-Op Fundraising Contribution

**Table 1 – List of Sub-Departments in Donat\_UNSW**

Only Foundation Office staff can request a new sub-department in Donat\_UNSW by using the Department Chartfield Modification form. All projects in Donat\_UNSW will have either BE or ED fund code (see section 2.2). The BE and ED fund code cannot be used by any other Department in NSF.

## 2.1 Documenting fundraising contributions

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Development managers document fundraising contributions for the Faculties. The development associate and planned giving manager in the Foundation Office document University-wide contributions. The following forms of documentation are required for the following sources of contribution:

Source of Contribution	Documentation required
Bequest	Will
Donation/Gift	Gift Acknowledgement
Sponsorship	Sponsorship Agreement
Non-contract grant	Letter from contributor/acquittal form
Event-based income	Gift Acknowledgement

## 2.2 Opening a new project in Donat\_UNSW

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The Foundation Office will open projects for recording fundraising income to UNSW. These projects are in the Donat\_XXXX Departments in NSF. Only the following fund codes can be used when opening a project in Donat\_XXXX.

<b>ED101</b>	Endowment Research
<b>ED202</b>	Endowment General
<b>BE101</b>	Beneficial Research
<b>BE202</b>	Beneficial General

- A project must be opened in Donat\_XXXX by the Foundation Office before fundraising income can be receipted. This is done by the development associate who completes the Project Chartfield Modification Form (designed specifically for projects in Donat\_UNSW).
- The new project details will be provided to the Faculty/Division.
- The Faculty/Division must then open a project in the Faculty/Division and provide this information to the Foundation Office. See section 2.3 for more information.
- To enable accurate interest calculations there must be a one-to-one relationship between the Donat\_XXXX project and the FC101 projects in the Faculty/Division.
- There should be no payroll expenses incurred or posted to Donat\_XXXX.

- When opening a new project in Donat\_XXXX the following ChartField attributes must be included:

**Source of Contribution (choose one of the following)**

Donation/Gift  
Bequest  
Sponsorship  
Non-Contract Grant  
Internal transfer/seed funding  
Event Based Fundraising (Fundraising receipts)

**Use of Contribution (choose one of the following)**

Scholarships  
Prize  
Award  
Chair/Fellowship  
Capital Campaign  
Research  
General Fundraising

**Related project**

Include the related FC101 project in the Faculty/Division

**Related department**

Include the related department where the FC101 project is located

Diagram 1 in Appendix A provides details of the steps involved.

### 2.3 Opening a project in the Faculty/Division

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To access fundraising contributions, the Faculty/Division will require a project with the FC101 fund code to raise a journal request for disbursement of the fundraising income. The FC101 project must be opened at the same time as the Donat\_XXXX project is opened, and there must be a one-to-one relationship between the Donat\_XXXX project and the FC101 project in the Faculty/Division.

See section 2.7 for further details about the characteristics of the FC101 fund type.

See Diagram 1 – *Opening a New Project in Donat\_UNSW*.

### 2.4 When to close a project

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In accordance with the University guidelines on when to close a project (see Finance website [www.fin.unsw.edu.au](http://www.fin.unsw.edu.au)):

- A project should be closed in Donat\_XXXX when the Foundation Office believes there is no further income expected and the funds have been fully expended in line with the intentions of the contributor.

- A project with the FC101 fund code in the Faculty/Division will be closed when the funding has been fully expended and the Donat\_XXXX project has been closed. The FC101 project must remain open while the Donat\_XXXX project is open. Approval to close an FC101 must be provided by the Foundation Office Financial Controller.

## 2.5 Revenue Receipting

Payments for fundraising contributions can be received by cheque and credit card (all major credit cards are accepted). An invoice payment can be made by EFT using the information provided on the invoice.

The Faculty/Division is responsible for notifying the Foundation Office when fundraising revenue is expected. This is the role of the development manager or the finance manager.

The Director of Finance may approve an application by a Faculty or Division for an internal transfer to an FC101 project from another fund type. If approved, the transaction must be processed by Central Finance.

Fundraising income is receipted into Donat\_XXXX as external revenue using the following account codes which can only be used in Donat\_XXXX.

Source of Contribution	Account Code	Description
Bequests	1082	Bequests - Research
	1083	Bequests - General
	1282	Bequests - Capital
Donations	1080	Donations – General
	1081	Donations – Research
	1280	Donations - Capital
Sponsorship	1221	Sponsorships – General
	1223	Sponsorships - Research
Non-contract Grant	0826	RsCh-Commonwealth Govt Assist
	0827	Cth Govt - Capital grant
	0828	Cth Govt - General
	0134	RsCh-State Govt Assist
	0705	Grants-State Govt Assist
	0706	Grants-State Govt - Capital
	0804	NonContract&NonGovt grants-Gen
0805	NonContract&NonGovt grants-Res	
Other Fundraising Activities	1087	Event based income
Foundation Assets Transfers	2005	Transfers of Foundation Trust Assets (clearing account)

If it is income from a new fundraising effort, then it cannot be receipted until a new project has been opened by the Foundation Office.

Diagram 2 *Decision Tree for Treatment of External Revenue Receipting at UNSW (excluding Teaching Revenue)* provides clarity around how to decide what is fundraising income, and how it should be receipted. The Foundation Office can provide advice and support in making the decision. For further information, see the Finance website [www.fin.unsw.edu.au](http://www.fin.unsw.edu.au).

## 2.5.1 Conferences and other events

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All sponsorship contributions to subsidise a conference or other event must be receipted through Donat\_XXXX. This contribution can then be disbursed to an FC101 in the Faculty/Division.

When ticket sales for conferences and other events are considered fundraising income, that income must be receipted through Donat\_XXXX. It is best to confirm with the Foundation Office before organising an event to ensure income is receipted appropriately.

The income can then be transferred from the FC101 to the appropriate project in the Faculty/Division (GIXXX, OPXXX or GNXXX) by L30 journal. The Foundation Office will only approve the L30 journal to transfer the sponsorship funding if there is an agreement in place documenting the project details for the transfer.

The following account codes must be used:

### *Receipting of external funds*

Cr Account Code 1221 (Sponsorships)

### *Transferring to FC101 project*

Dr Donat\_XXXX BE/ED a/c code 6967 (General Fundraising)

Cr Faculty / Division FC101 a/c code 1467 (General Fundraising)

### *Transferring to OP001 / GI105 project:*

Dr Faculty / Division FC101 a/c code 6967 (General Fundraising)

Cr Faculty / Division OP001 / GI105 code 1467 (General Fundraising)

<b>Donat_UNSW (BE/ED projects)</b>	
<i>External Revenue</i>	<i>Internal Expense</i>
1221	6967

<b>Faculty/Division (FC101 projects)</b>	
<i>Internal Revenue</i>	<i>Internal expense</i>
1467	6967

<b>Faculty/Division (OP001/GI105)</b>	
<i>Internal Revenue</i>	<i>External Expense</i>
1467	xxxx

## 2.5.2 Preparing the receipt

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The requirements for inclusion on a receipt differ subject to whether the source of the contribution is a gift, bequest, sponsorship, non-contract grant or event based income.

The information to be included on the receipt is prepared by the Foundation Office using the L20 form. The Foundation Office is responsible for taking the payment and the L20 form to Treasury to be receipted using the One-Stop system.

The Foundation Office is also responsible for sending the receipt, with a thank-you letter to the contributor.

Diagram 3 *Receipting Fundraising Income* in Appendix A provides the detailed steps for receipting fundraising income.

### 2.5.3 Ensemble and LIME

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The Music Performance Unit (MPU) is responsible for the activities for the UNSW Ensemble, and the UNSW Orchestra and UNSW Wind Band (collectively called LIME – Large Instrumental Music Ensembles). The income from ticket sales is receipted directly into the MPU, and the gifts are receipted into Donat\_UNIW. Process overview:

- MPU will complete an L20 form for the gift
- MPU will deliver the L20 to the Cashier
- MPU will provide to the Foundation Office the correspondence from the subscriber/donor, the original L20 receipt and any other relevant information
- MPU will send the subscriber their tickets
- Foundation Office will send subscriber/donor the receipt and acknowledgement letter

Please refer to the Music Performance Unit for further information on these processes.

### 2.5.4 Recognising internal revenue in Faculty/Division

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Fundraising income cannot be recognised in the Faculty/Division as external revenue. It is recognised as internal revenue using the following account codes.

<b>Internal revenue in Faculty/Division (FC101 projects)</b>	
<b>Account</b>	<b>Description</b>
1461	Scholarship
1462	Prize
1463	Award
1464	Chair/Fellowship
1465	Capital Campaign
1466	Research
1467	General Fundraising

## 2.6 Disbursement

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Donat\_XXXX can only disburse funds via internal transfer to a project with an FC101 fund code in a Faculty or Division. Each request for disbursement must be checked against the governance documents (the Gift Acknowledgement or Sponsorship Agreement) held by the Foundation Office, and approved accordingly.

The Faculty/Division must request access to the fundraising income using an internal transfer (L30) completing the credit side of the L30 and the Foundation Office will complete the debit side of the journal. Evidence of the expenditure will be required. The signatures on the L30 will need to be in line with the Gift Acknowledgement/Sponsorship Agreement. The L30 plus supporting documents should be sent to the Foundation Office finance officer by email.

The requests for funding from Donat\_XXXX into FC101 will be processed monthly. The Faculty should request funding via journal (L30) after month-end. The L30 will be processed by the Foundation Office before the next month-end.

The disbursement process is documented in more detail in Diagram 4 – *Disbursement from Donat\_UNSW* in Appendix A.



## 2.7 Using FC101

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The FC101 is a fund code set-up specifically to record how the Faculties/Divisions use fundraising income. It sits in the Restricted Funds area which means that these funds can only be spent on the purpose for which the contribution was originally made to UNSW. It also means that the funds cannot be spent on general purposes such as supporting the University's general teaching and research infrastructure. These funds will carry over at year end.

Faculties/Divisions can only access fundraising income through projects with the FC101 fund code. The income will be recognised as internal revenue. Some of the features of the FC101 include:

- it can operate in deficit, but if funds do not exist in the matching project in Donat\_XXXX the Faculty/Division will have to cover the deficit
- L30s requesting funding from Donat\_XXXX into FC101 will be processed monthly
- interest will be calculated on the net balance (Donat\_XXXX project less related FC101 project)
- to ensure negative interest is not charged to the FC101 project, there will need to be a one-to-one relationship between the Donat\_XXXX project and the FC101 project in the Faculty/Division (see section 2.9)
- it cannot transfer income or expenditure to other internal projects or other fund codes (there are some exceptions; see section "Conferences and other events")
- it can pay for salary, purchasing etc.. as long as the expenditure is in line with the purpose of the contribution as outlined in the documentation (Gift Acknowledgement, Sponsorship Agreement etc..)
- it cannot receipt external income
- it cannot receipt internal income from other fund codes (there are some exceptions: see below)
- it is used only in the Faculty/Division for funding transferred from Donat\_XXXX
- it must be opened at the same time as the related Donat\_XXXX project.

The FC101 can only receive internal income from Donat\_XXXX. There may be occasions when an internal transfer from Faculty/Division will be approved by Director of Finance for internal/seed/matching funding<sup>1</sup>. Only the Director of Finance can approve internal transfers from sources other than Donat\_XXXX, and the journals must be processed by Central Finance.

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<sup>1</sup> Eg outcome of GI review where it was approved that funding was fundraising contribution and the Director of Finance approved the transfer of funding OR where an agreement exists for Faculty/Division to provide matching funding for scholarships etc.. (example Resmed Scholarships)

## 2.8 Relevant account codes

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The following account codes must be used

Internal Expense in Donat_UNSW (BE/ED projects)		Internal revenue in Faculty/Division (FC101 projects)	
Account	Description	Account	Description
6961	Scholarship	1461	Scholarship
6962	Prize	1462	Prize
6963	Award	1463	Award
6964	Chair/Fellowship	1464	Chair/Fellowship
6965	Capital Campaign	1465	Capital Campaign
6966	Research	1466	Research
6967	General Fundraising	1467	General Fundraising

## 2.9 Calculation of interest and interest distribution

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All projects in Donat\_XXXX will accrue interest. To ensure interest is only calculated on the actual balance of the fundraising income (i.e. taking into account any positive or negative balances in the related FC101 project), Treasury will calculate interest on both the Donat\_XXXX project and the related FC101 project. Any (positive or negative) interest charges on the FC101 project will be posted to the related project in Donat\_XXXX rather than to the FC101 project in the Faculty/Division. The interest on the FC101 project will be calculated by the Financial Systems Team (FinSys) and forwarded to the Foundation Office to be posted to the related Donat\_XXXX project.

Interest is distributed twice a year, once for the December to May period and once for the June to November period. Treasury calculates the interest and distributes interest into the relevant Donat\_XXXX project. Interest is set by the Executive Director, Finance and Operations on an annual basis. The Chief Executive and the Chair of the UNSW Foundation Finance Committee must be consulted by UNSW when it is setting the annual distribution policy in relation to Donated Funds@UNSW (see Appendix C – *Framework for Development at UNSW*).

Only those projects in Donat\_XXXX will be added to the interest tree (noting the related FC101 projects), and it is the responsibility of the Foundation Office Financial Controller to ensure all relevant Donat\_XXXX projects are included on the Interest Tree.

## 2.10 Raising an invoice

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An invoice cannot be raised for a gift if the contribution is to meet the requirements of the Australian Tax Office (ATO) regarding gifts (see section “Pledge Reminder” below). An invoice can only be raised for a sponsorship (where there is a material benefit to the sponsor), or for a non-contract grant. Generally there will be an agreement which will include a payment schedule. The Goods and Services Tax (GST) will be applicable where the sponsor receives something of value in return for the sponsorship. This benefit may include advertising, signage or naming rights, or some other type of benefit of value. As UNSW is registered for GST it must pay GST on the sponsorship it receives.

Invoices are raised by Accounts Receivable (AR). A “Request for Invoice” will need to be completed by the Foundation Office and sent to AR. AR will raise the invoice and send it to the Foundation Office to be sent to the sponsor as part of the stewardship processes. It is the

responsibility of the Foundation Office and/or the development managers to chase outstanding debtors, not the role of AR.

See Diagram 5 – *Raising an Invoice* in Appendix A

## 2.11 Raising a pledge reminder

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A pledge reminder is a letter or other document that is sent to a donor to remind them of a pledge made for a gift. As it is not a tax invoice, it is only recorded in the customer relationship management database and not the financial system.

The Foundation Office prepares a monthly report of all pledge reminders due which is distributed to the development managers for review. Pledge reminders are only generated when the development manager approves the report through completing the appropriate form. The pledge reminder is sent to the contributor by the Foundation Office as part of the stewardship processes. The development manager is responsible for following up unpaid pledge reminders with the contributor.

Diagram 6 - *Issuing a Pledge Reminder* in Appendix A provides more detail about this process.

## 2.12 RF222

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An NSFinancial project with the RF222 fund code can only be set-up by Central Finance with the endorsement of the Foundation Office. The criteria for setting up an RF222 are that:

- the revenue is for research
- the revenue is provided by a source external to UNSW;
- a contract does not need to be established in relation to the revenue (enquiries may need to be directed to UNSW Legal Office);
- the external revenue is not from a philanthropic organisation (e.g Hospital Foundation);
- the funds are not for philanthropic purposes; and
- the Foundation Office confirms the above.

The Foundation Office should also be contacted regarding any future income that is intended to be placed into an RF222 project.

## 2.13 Workplace Giving for UNSW staff

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UNSW staff can give to UNSW through automated payroll deductions managed through Salaries. Contact the Salaries office for further information.

## 2.14 Workplace giving to UNSW by staff of other organisations

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Staff of other organisations are also able to give to UNSW through automated payroll deductions organised by the other organisation. The process is managed by the Foundation Office and is outlined in Appendix B.

## 2.15 Reporting

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The Foundation Office is responsible for reporting on fundraising contributions to UNSW that have been captured in Donat\_XXXX.

## 2.16 The Budget process

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Internal expense in Donat\_XXXX will need to match internal revenue in the Faculty/Division, therefore each Faculty/Division will need to work closely with the Foundation Office when preparing the annual budget.

## **Appendix A: Diagrams**

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Following diagrams appear in this section

Diagram 1 – Opening a New Project

Diagram 2 – Decision Tree for Treatment of External Revenue Receipting at UNSW (excluding Teaching Revenue)

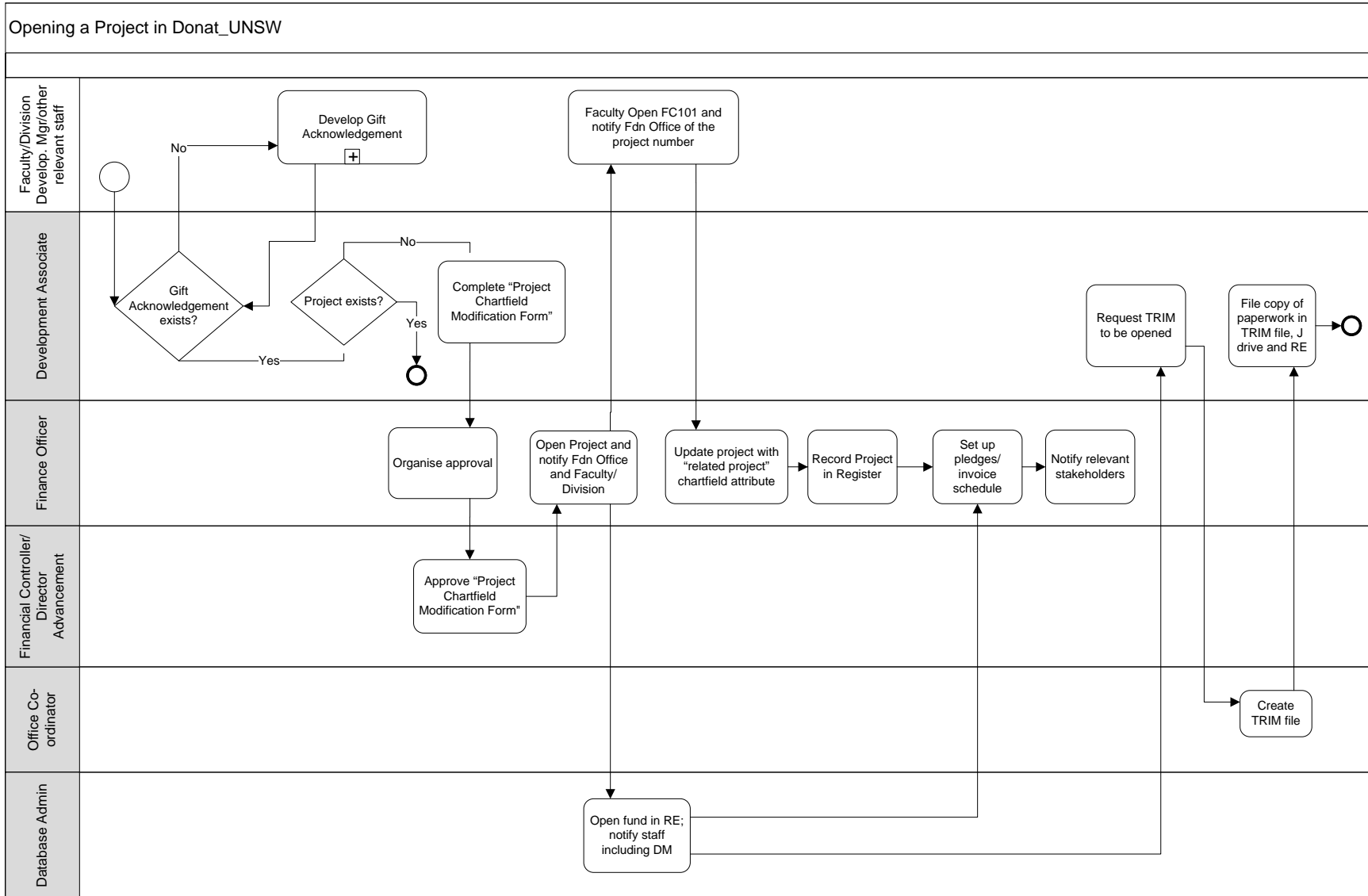
Diagram 3 – Receipting Fundraising Income

Diagram 4 – Disbursement from Donat\_UNSW

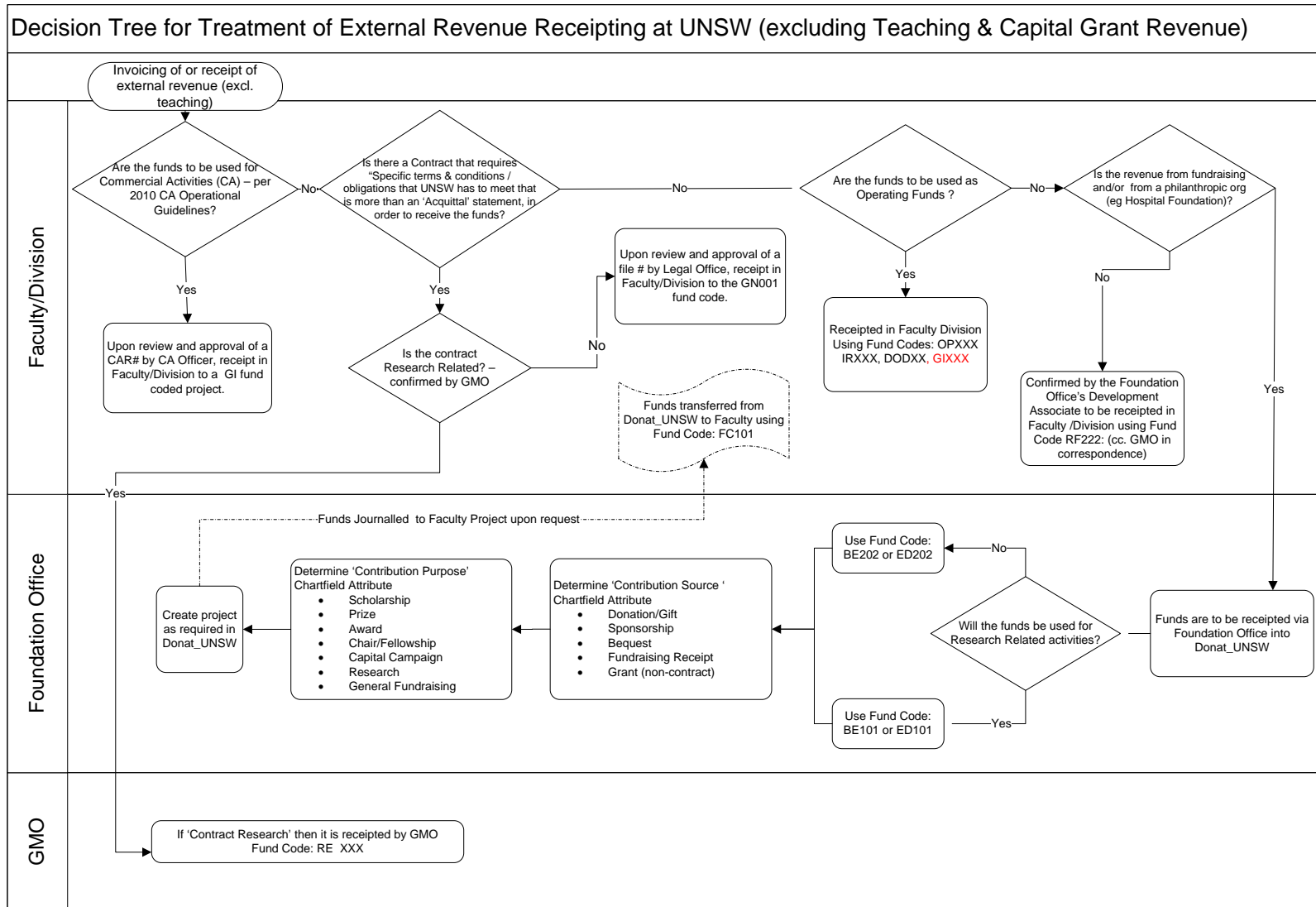
Diagram 5 – Raising an Invoice

Diagram 6 – Issuing a pledge reminder

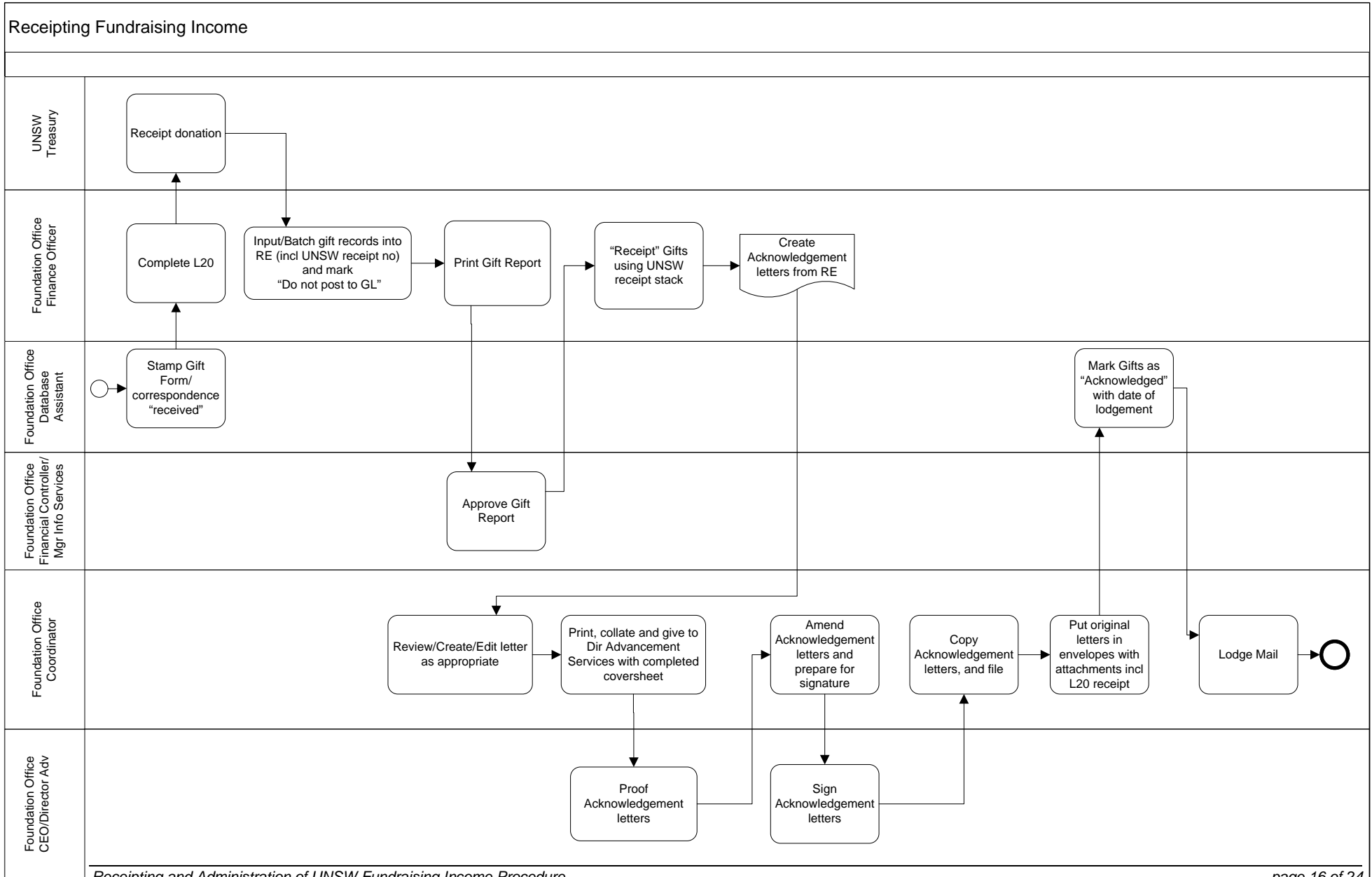
# Diagram 1 – Opening a new project



**Diagram 2 – Decision Tree for Treatment of External revenue Receipting at UNSW (excluding Teaching Revenue)**

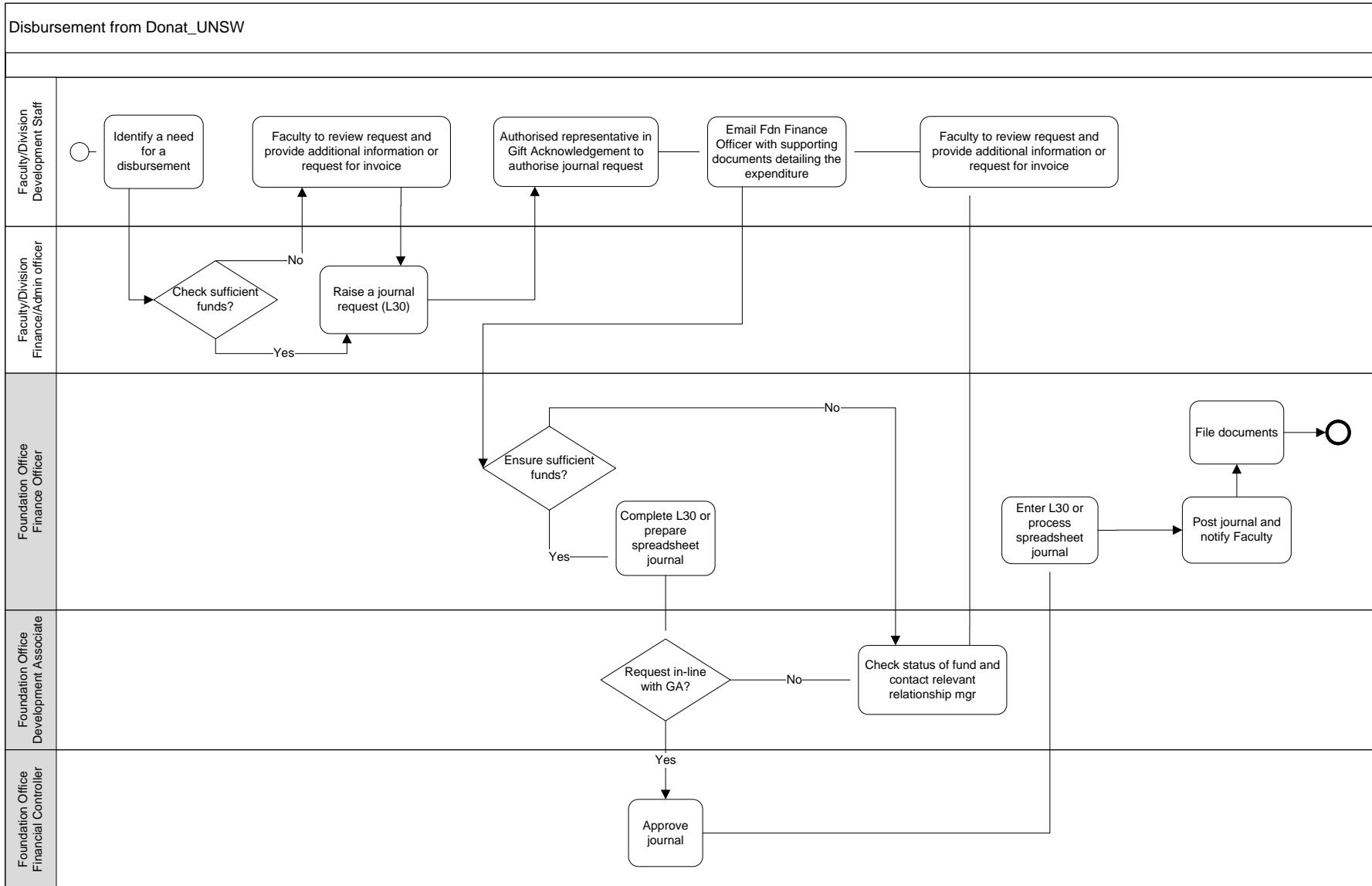


**Diagram 3 - Receipting Fundraising Income**

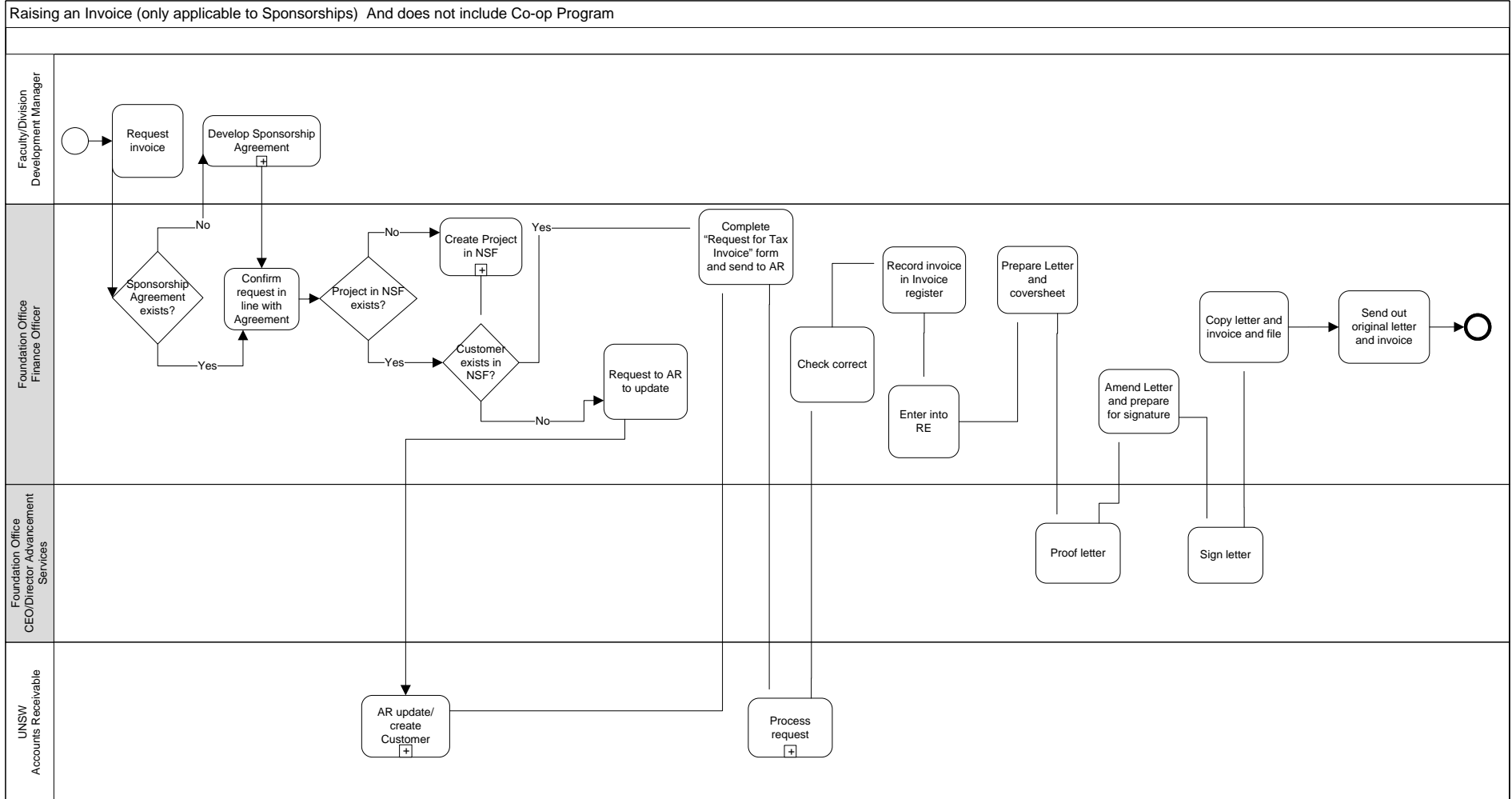




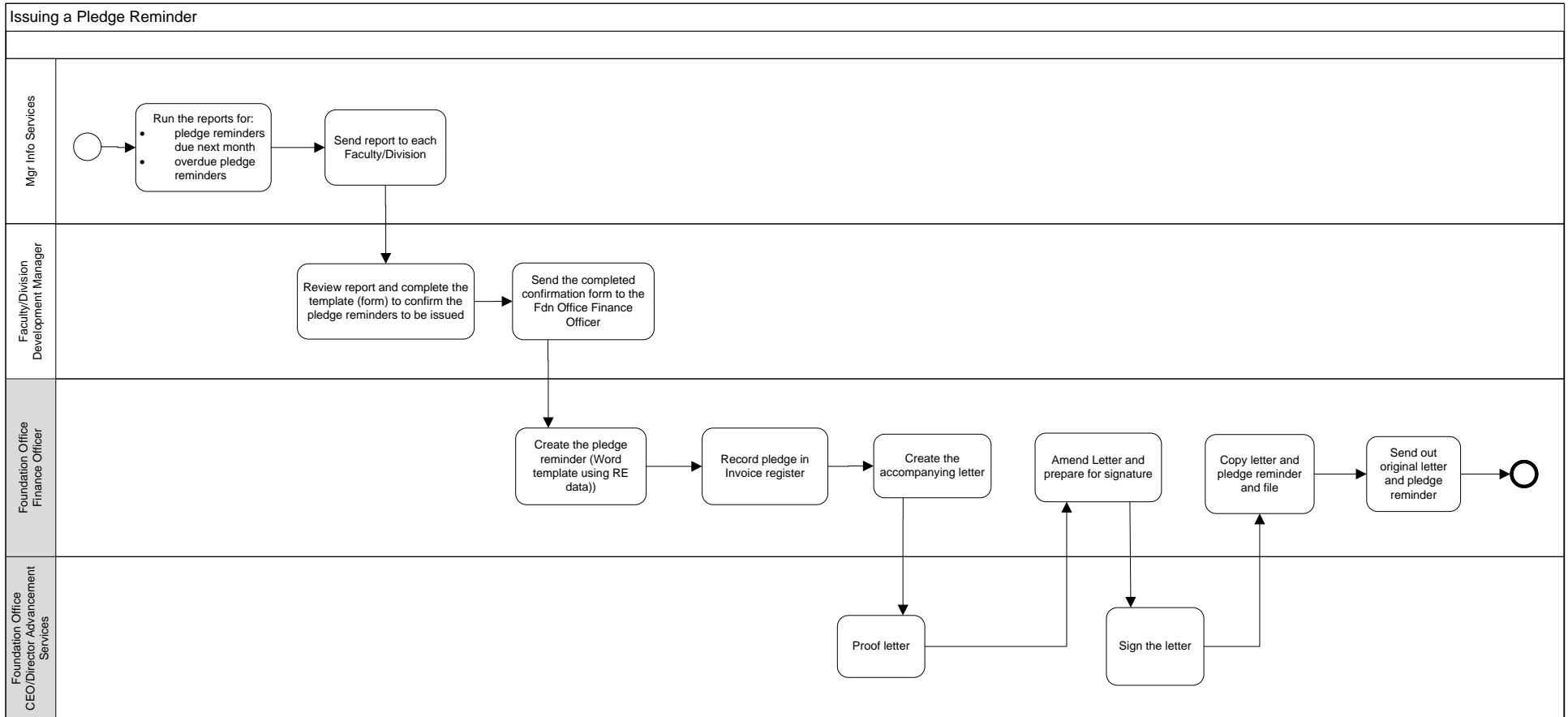
# Diagram 4 – Disbursement from Donat\_UNSW



## Diagram 5 – Raising an Invoice



## Diagram 6 – Issuing a Pledge Reminder



## Appendix B: External Workplace Giving Process

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### Example:

Person works for company X and wants to donate through a WPG program to UNSW.

#### Step 1.

Alumni/donor (employee) fills in the form and provides a copy to the employers payroll department and the UNSW Foundation

#### Step 2

UNSW Foundation confirms in writing to company x (employer) that they have received the WPG form and advises company x (employer) that UNSW requires the following information on the remittance form after each EFT:

1. Pay period
2. Company name
3. Donor name/s
4. Reference - what fund the donation to be used for (this depends on the payroll system)
5. Amount of donation
6. Total amount of EFT

#### Step 3

Company X (employer) runs payroll and EFT's the donation/s to the UNSW ANZ bank account providing the reference as "company x (employer) name – workplace giving", they then send a remittance advice to UNSW Foundation

Sample remittance:

**University  
of NSW  
Law School  
Charity: Endowment**

**Month: December  
2008**

Surname	Given Name	Payroll No	Reference	\$ Amount
???????	???????	2198	Law scholarship	20.00
???????	???????	2785	AGSM scholarship	20.00
???????	???????		UNSW Research	20.00
<b>Total Contributions</b>				<b>\$60.00</b>

#### Step 4

UNSW Foundation forwards the remittance advice together with the Project number for correct receipting and allocation onto UNSW (treasury@unsw.edu.au, cc copy: y.fadjar@unsw.edu.au, Yennie Fadjar, Senior Treasury officer (EFT Payment))

## Appendix C: Framework for Development at UNSW

## FRAMEWORK FOR DEVELOPMENT AT UNSW

### 1. Background

- 1.1 UNSW and the Foundation both receive and hold fundraising income for the benefit of UNSW, with all new moneys being received by UNSW. These funds are referred to as "Donated Funds@UNSW".
- 1.2 UNSW maintains the Development Office as a division of UNSW to facilitate the raising, reporting and administration of Donated Funds@UNSW.
- 1.3 The Development Office receives funds directly and through other entities such as UNSW Foundations in the US and Australia.

### 2. General Principles

- 2.1 UNSW is committed to:
  - (a) Consistent and transparent administration and reporting of Donated Funds@UNSW;
  - (b) Administering Donated Funds@UNSW in accordance with legal obligations and the particular obligations to any legal entities that exist;
  - (c) Administering Donated Funds@UNSW with due consideration to the wishes of the donors;
  - (d) Setting up and maintaining a coherent, transparent and effective system for stewardship of donors and encouraging donations.

### 3. Role of the UNSW Foundation Board

- 3.1 The UNSW Foundation Board has also been charged by the Chancellor and Vice-Chancellor to provide advice and support in regard to fundraising, development and alumni relations including development of new income sources and the governance of all Donated Funds@UNSW.

#### **4. Administration of Donated Funds@UNSW**

- 4.1 UNSW holds the CEO and the Development Office responsible for the day-to-day reporting, administration and donor stewardship of all fundraising income held by both UNSW and the Foundation.
- 4.2 The way in which UNSW delivers administrative support for Donated Funds@UNSW will be determined by UNSW in its discretion.

#### **5. Management of Donated Funds@UNSW**

- 5.1 Insofar as it is consistent with its fiduciary duties as a trustee, the Foundation's investment policies are aligned with UNSW Investment Policies.
- 5.2 UNSW will continue to provide the Foundation with access to the services of its Financial Services Division for the purposes of managing Donated Funds@UNSW.
- 5.3 UNSW and the Foundation will continue to endeavour to maintain donated funds in accordance with the expressed wishes of the donors and will consult as to investment strategies to achieve this.
- 5.4 The CEO and the Chair of the UNSW Foundation Finance Committee must be consulted by UNSW when it is setting the annual distribution policy in relation to Donated Funds@UNSW.

DATED 13<sup>th</sup> day of October 2010



Professor Frederick Hilmer AO  
President and Vice-Chancellor  
University of New South Wales

## Appendix D: Definitions

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<b>Beneficial Fund</b>	A fund where the capital is used, consistent with the protocol, and continues to be used until all funds, including investment returns, have been disbursed. At UNSW these are part of restricted funding.
<b>Bequest</b>	A gift of personal property by will. The bequest could be cash, shares or property and it may have special terms and conditions attached.
<b>Commercial activity</b>	Activities run with the intention of generating a surplus
<b>Donat_UNSW</b>	is the name (department ID) in the UNSW financial system, NSFinancials (NSF) for the University component of Donated Funds@UNSW
<b>Donated Funds @UNSW</b>	is the name for the fundraising income held by both the University and UNSW Foundation.
<b>Endowed Fund Endowment</b>	Fundraising income where the capital is invested and only the investment return is disbursed.
<b>Event-based income</b>	Income from fundraising activities such as events, raffles, lotteries, auctions, dinners etc...
<b>External research activity</b>	(RE) Funds for contracts with external organisations for specific research which is administered by the Grants Management Office (GMO)
<b>FinSys</b>	Financial Systems Department, a division of Finance
<b>Foundation Office</b>	The division of UNSW responsible for the raising, reporting and administration of all fundraising income and alumni relations for UNSW.
<b>Foundation trust</b>	The University of New South Wales Foundation is a trust established by a Deed of Trust between UNSW and the University of New South Wales Foundation Limited. It is not a legal entity in its own right.
<b>Foundation Limited</b>	The University of New South Wales Foundation Limited is a company limited by guarantee which acts as trustee of three trusts including the University of New South Wales Foundation (see above).
<b>Fund</b>	Used to record the sources of revenues that UNSW receives and the matching expenses, assets, liabilities and equity.
<b>Fundraising</b>	The process of soliciting and gathering contributions of money or other resources, by requests to individuals, businesses, charitable

foundations, or governmental agencies. (Also known as Development)

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<b>Fundraising Income</b>	Income received by UNSW from bequests, gifts, sponsorships, non-contract grants and income from fundraising activities.
<b>GF / General Fund</b>	Unrestricted Funds used for the core teaching activities of UNSW including support.
<b>Gift</b>	<p>A voluntary contribution to a recognised organisation or charity (such as UNSW), that has the characteristics outlined by the ATO<sup>2</sup>: A gift cannot provide a material benefit to the donor and may be tax deductible if it is within the ATO's guidelines.</p> <p>An acknowledgement that a recipient makes in appreciation of a payment can be consistent with the payment being a gift<sup>3</sup> depending on the type and value of the acknowledgement.</p> <p>A gift made to a non-profit organisation is not consideration for a sale and is not subject to GST<sup>4</sup>.</p>
<b>Gift Acknowledgement</b>	A UNSW document held by the Foundation Office outlining the intended processes for the administration of fundraising income (previously known as a Protocol).
<b>GMO</b>	Grants Management Office
<b>Grant</b>	<p>Funds paid by one party (UNSW, a government department, a philanthropic organisation) to a recipient, for a specific outcome often with rights and obligations on each party.</p> <p>(See Research Grants)</p>
<b>NSF</b>	NS Financial: UNSW's name of the PeopleSoft financial accounting system.
<b>Pledge</b>	An assurance or commitment from a donor (either individual or corporate entity) that they will make a gift. It is not a legally binding contract and should not be recorded in the general ledger.
<b>Pledge Reminder</b>	A letter/document sent to a contributor to remind them of a pledge made for a gift. It is not a tax invoice and so is not generated through a financial system. Pledges are recorded in the Customer Relationship Management system and not the financial system.
<b>Project</b>	The chartfield in the Chart of Accounts which captures and controls transactions for specific activities which are identified for a specific purpose. These can be limited to a specific timeframe or activity which has a defined end date or output.

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<sup>2</sup> Fundraising, ATO publication NAT 13095-09.2008, p 5

<sup>3</sup> Fundraising p 6

<sup>4</sup> Fundraising, p 26



<b>Recurring gift</b>	A regular gift of money.
<b>Research Grant</b>	A grant (see above) specifically for research purposes administered through UNSW Grants Management Office.
<b>Scholarship</b>	<p>An ongoing or one-off benefit payment to students who meet defined criteria to cover tuition fees, textbooks and other related educational expenses such as for travel, boarding or living costs<sup>5</sup>.</p> <p>Scholarships are administered through the Scholarships Office or the Co-op Program which is a specific industry based scholarship program.</p> <p>Scholarships can be either Endowed or Beneficial.</p>
<b>Sponsorship</b>	<p>Funding from an entity for a specific activity or program in return for a material benefit such as specific rights. It excludes the sponsorship of students.</p> <p>The agreement will be in the form of a contract which will include a payment schedule for which an invoice will need to be raised, and GST will be applicable<sup>6</sup>.</p>
<b>Stewardship</b>	Activity undertaken to ensure a consistent and appropriate approach to acknowledging, recognising and reporting gifts to the University, and to building relationships with contributors.
<b>Trust</b>	<p>A trust is a legally binding relationship with ongoing rights and obligations, in which an entity or person gives fiduciary control of property to a person or institution (the trustee), subject to an obligation to keep or use the property for the benefit of another (beneficiary).</p> <p>If a binding assurance is given to a contributor as to the way the gift will be applied, then this could amount to the creation of a new trust fund, which would have tax and other legal implications for the trustee.</p>
<b>Workplace Giving</b>	Workplace giving is a Government endorsed, simple and effective way for employees to regularly donate, pre-tax to a registered charity.

See the Finance website for further definitions at [www.fin.unsw.edu.au](http://www.fin.unsw.edu.au)

<sup>5</sup> *Giftpack*, p 27

<sup>6</sup> *Fundraising*, p31

## Appendix E: History

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Version	Authorised by	Approval Date	Effective Date	Sections modified
1.0	Executive Director, University Services	6 February 2011	1 January 2011	