

FLEURIEU COMMUNITY FOUNDATION LTD

Guidelines Title: Named & Themed Funds

Date of Adoption	27 April 2012
Dates Reviewed:	28 July 2017
Date of Next Review:	30 June 2019

1. PURPOSE:

To clarify the special nature of "Named" and "Themed" funds and their status within the Fleurieu Community Foundation Public and Open Funds.

2. BACKGROUND:

Donors are able to establish a range of sub funds within the Fleurieu Community Foundation Public Trust and Open Funds. Named funds and themed funds have a special status.

Like 'naming rights' in sponsorship regimes, named funds have the ability to honour and focus public attention on a particular person, family, organisation or thing. Named funds are also a means of ensuring that the name can live on for perpetuity.

Alternatively, by establishing a themed fund, a donor can ensure that grants will be directed to a specific area of need or cause in the community – such as youth, aged, families, arts and culture, or the environment.

3. PRINCIPLES:

Donors wishing to establish a named or themed sub-fund must meet the financial conditions as determined by the Board.

4. DEFINITIONS:

- *Sub-funds* – Sub-funds are management accounts established in the Fleurieu Community Foundation Public or Open Fund, depending on whether a tax deduction is being claimed. The accounts operate as internal records for the purpose of tracking donations and grants attributed to them. However, the funds are not separate from other money but are pooled with other funds to get the best possible investment outcomes. The pooling of funds is also a requirement for tax deductibility status, because the consequence of sub-funds being treated as a separate fund within the Fleurieu Community Foundation Trust is that the ATO will not allow tax deductibility to be available.
- *Named Fund* – A named fund is a special sub-fund that carries a name for the purpose of honouring someone (or something) and preserving their memory. The sub-fund can carry the name of the donor, the donor's family, a family member, a friend, a local pioneer, outstanding citizen or an organisation.
- *Themed Fund* – A Theme Fund is a special sub-fund established for the purpose of directing grants into a specific area of community need or cause as preferred by the donor.

5. DETAILS:

All applications to establish Named or Themed Funds need to be approved by the Board and will need to meet all of the financial and other conditions that apply to Named Funds.

- A Named Fund needs to be established with a \$5,000 donation, with the intention of building to \$15,000 within three years and a minimum of \$20,000 within 5 years.
- A themed fund needs to be established with a \$3,000 donation, with the intention of building to \$9,000 within three years and a minimum of \$12,000 within 5 years.
- The Board will review sub-funds with a balance of less than \$10,000 on an annual basis. If the FCF has received no donations or other communication in relation to a sub-fund for a two year period, the Trustee may decide to meet with the donor to ascertain their intentions, with a view to the funds being rolled into either the Public Fund or Open Fund and being made available for FCF funding priorities as the Trustee decides.
- A donor can request to close a sub-fund and grant the balance. Sub-funds under \$10,000 will be encouraged to distribute the balance to either the FCF Public Fund or FCF Open Fund.

- Sub-fund donors may be eligible to receive the following benefits whilst the named fund remains active:
 - Invitations to attend FCF private functions as determined by the Board.
 - The option to develop a logo for the named fund at the donor's cost and have the logo included on FCF public documents along with the FCF name and logo – e.g. inclusion of the logo in the Annual Report, newsletters.
 - The opportunity to display the named fund logo at FCF public functions.
 - The opportunity to provide a *Named Fund Donor Statement* in the Annual Report in context with the Chairperson and CEO reports.
 - Annual Named Fund financial statement.

6. RESPONSIBILITY:

The Board of Directors is responsible for determining the financial and other conditions that apply to sub-funds and for approving all sub-fund applications.