

## SUB-FUND ESTABLISHMENT FORM

Thank you for choosing to become part of the Australian Communities Foundation (ACF).

Please complete this form to request the establishment of a named sub-fund with ACF.

The form seeks information that will assist ACF in understanding your vision and preferences.

Background information and a summary of policies and procedures relating to the establishment and maintenance of a sub-fund with ACF are provided in the Sub-fund Manual. A copy of the manual will be sent to you, once the establishment of the sub-fund is approved.

### 1. TYPE OF SUB-FUND

Australian Communities Foundation Limited (the Trustee), ABN 20 077 830 347 is Trustee for 3 funds.

- ◆ **Australian Communities Foundation Fund** is a tax deductible Trust Fund. It can make grants to charitable organisations endorsed by the ATO as having TCC (Tax Concession Charity) and item 1 DGR (Deductible Gift Recipient) status. It can also make grants to exempt organisations that would be charitable but for their connection with government and which are item 1 DGRs.

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- ◆ **Australian Communities Foundation Extension Fund** is a non-tax deductible charitable Trust Fund. It can make grants for charitable purposes to organisations and to individuals; the essential characteristic being that it is charitable at law and of recognised benefit to the community.

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- ◆ **Australian Communities Foundation Scholarship Fund** is a tax deductible Trust Fund. It can make grants to organisations, schools and individuals for the purposes of educational scholarships, prizes and bursaries, within the requirements of the Trust Deed.

The donor requests a sub-fund be maintained by the Trustee for the recording of gifts from the donor and from others, and the recording of grants from the sub-fund. **(Please select the relevant Trust Fund)**

- |                          |   |                    |
|--------------------------|---|--------------------|
| <input type="checkbox"/> | Australian Communities Foundation Fund (tax deductible)               | ABN 57 967 620 066 |
| <input type="checkbox"/> | Australian Communities Foundation Extension Fund (non-tax deductible) | ABN 57 485 460 977 |
| <input type="checkbox"/> | Australian Communities Foundation Scholarship Fund (tax deductible)   | ABN 82 218 603 765 |

## 2. NAME OF SUB-FUND

You may request a name for the sub-fund. This can be after yourself, your family, a loved one, a business, for a relevant cause or issue, or after something meaningful to you. The Australian Taxation Office (ATO) does not allow the use of the words 'foundation' or 'trust' to be used in the name of sub-funds, as this suggests a separate legal entity.

SUB-FUND name:

## 3. FUND CATEGORY

- Individual
- Family
- Group of like-minded individuals, connected by a cause or goal
- Corporate
- Local Government
- Not-for-profit

Not-for-profit (internal granting) 'future' sub-funds are funds established by a not-for-profit organisation. The not-for-profit needs to have full DGR status and be registered with the Australian Charities and Not-for profit Commission (ACNC). ACF not-for-profit funds can only grant back to themselves once per year. Additional grants will incur an incremental fee.

- Not-for-profit (external granting to outside organisations/individuals)

## 4. SOURCE OF REFERRAL

Select how you found out about ACF

- |                                       |                      |  |                      |
|---------------------------------------|----------------------|--|----------------------|
| <input type="checkbox"/> Ambassador   | <input type="text"/> | <input type="checkbox"/> Media/Website             | <input type="text"/> |
| <input type="checkbox"/> Board Member | <input type="text"/> | <input type="checkbox"/> Other Organisation/Sector | <input type="text"/> |
| <input type="checkbox"/> Course/Study | <input type="text"/> | <input type="checkbox"/> Professional Advisor      | <input type="text"/> |
| <input type="checkbox"/> Donor        | <input type="text"/> | <input type="checkbox"/> Staff                     | <input type="text"/> |

## 5. CONTACT INFORMATION

One or more individuals, an organisation or a business may apply to establish a sub-fund. The people named below will serve as the official Sub-fund Contact(s) — which means they will be able to submit grant requests, and will receive all correspondence related to the sub-fund, along with other ACF communication materials. Contact information will not be shared outside of ACF.

### (i) Sub-fund Primary Contact

Name	<input type="text"/>		
Mr <input type="checkbox"/>	Ms <input type="checkbox"/>	Mrs <input type="checkbox"/>	Other <input type="checkbox"/>
	<input type="text"/>		DOB. <input type="text"/>
Organisation name (if applicable)	<input type="text"/>		
Address	<input type="text"/>		
Home telephone	<input type="text"/>	Work telephone <input type="text"/>	
Mobile	<input type="text"/>		
Email	<input type="text"/>	Occupation <input type="text"/>	

### (ii) Sub-fund Secondary Contact

Name	<input type="text"/>		
Mr <input type="checkbox"/>	Ms <input type="checkbox"/>	Mrs <input type="checkbox"/>	Other <input type="checkbox"/>
	<input type="text"/>		DOB. <input type="text"/>
Organisation name (if applicable)	<input type="text"/>		
Address	<input type="text"/>		
Home telephone	<input type="text"/>	Work telephone <input type="text"/>	
Mobile	<input type="text"/>		
Email	<input type="text"/>	Occupation <input type="text"/>	

### (iii) Sub-fund Advisory Committee

The sub-fund Primary contact may establish an Advisory Committee to assist with developing recommended grantmaking guidelines, undertaking fundraising activities (in line with ACF's guidelines) and making grant requests. As these advisory committees are not separate legal entities, they are not required to be incorporated and they can only make recommendations to the ACF Board. Professional Indemnity insurance is not required and committee members are not covered by ACF insurance.

If you will be setting up an Advisory Committee please complete Schedule 1 at the end of this form.

## 6. ESTABLISHMENT DONATION

Sub-funds must be established with a minimum of \$20,000, or \$50,000 for corporate sub-funds. Note, there is no upper limit. It is expected that sub-funds will build to a minimum of \$100,000 over time, through ongoing donations or bequest.

The donor proposes to make unconditional gifts to Australian Communities Foundation, starting with a total gift of: \$

Please indicate donation method:

- Cheque made payable to Australian Communities Foundation
- Online donation (direct debit/credit card)
- Other (for further information on the types of gifts that can be made to ACF, please download the Gift Acceptance policy from the ACF website)

## 7. INVESTMENT APPROACH

The majority of ACF's sub-funds are established in perpetuity as endowment sub-funds. The default investment strategy for these is one seeking long-term capital appreciation.

In some cases flow through sub-funds are established with the intention of granting out the corpus over a specific period, generally from 12 months to 5 years. A medium term income investment strategy is available for this purpose.

- Please tick if you will be requesting a flow through sub-fund i.e. granting out the corpus in less than 5 years.

All decisions relating to Australian Communities Foundations' investment of the Trust Funds are the legal responsibility of the Trustee, through the Board. Investment matters are dealt with by the Board's Finance and Investment Committee, which is responsible for the design and execution of the asset allocation strategy and investment activities.

On establishment of sub-funds ACF allows donors to express an investment preference, based on whether they are requesting a long term endowment sub-fund or a flow through sub-fund.

Please select your preference:

- Long term growth
- Medium term income (not available for Extension and Scholarship Funds)

Contact us for further information on ACF's investment approach or to request a copy of the Investment Policy.

## 8. SUB-FUND STATEMENT OF PURPOSE

Each year ACF publishes a list of all sub-funds together with a short statement about the sub-fund's purpose or special interests. If known, please provide a statement (one or two sentences) about your sub-fund's purpose, priorities or special interests. This can also be provided after the sub-fund is established and can be updated each year at the annual sub-fund review.


## 9. DONOR GRANTMAKING AREAS OF INTEREST

Understanding your areas of interest and funding priorities enables ACF to keep you informed about relevant issues, project requests and events.

Please select at least one area of interest and /or target group.

### Area of interest

- |   |   |
|---|---|
| <input type="checkbox"/> Arts and culture                   | <input type="checkbox"/> Environment, conservation and climate change |
| <input type="checkbox"/> Civic engagement and leadership    | <input type="checkbox"/> Health, wellbeing and medical research       |
| <input type="checkbox"/> Community and economic development | <input type="checkbox"/> Individual/family services and support       |
| <input type="checkbox"/> Education and training             | <input type="checkbox"/> International aid and development            |
| <input type="checkbox"/> Employment pathways                | <input type="checkbox"/> Social inclusion, equity and justice         |
|   | <input type="checkbox"/> Other  |

### Target Groups

- |  |   |
|--|---|
| <input type="checkbox"/> General population                            | <input type="checkbox"/> Refugees / people seeking asylum |
| <input type="checkbox"/> Aboriginal and Torres Strait Islander peoples | <input type="checkbox"/> Rural and regional               |
| <input type="checkbox"/> Children and youth                            | <input type="checkbox"/> Women and girls                  |
| <input type="checkbox"/> LGBTIQ+                                       |   |
| <input type="checkbox"/> People with disability                        |   |

## 10. SUB-FUND RECOGNITION

ACF includes information about sub-funds, donors and grants in its newsletters, publications and on its website. In addition, sub-funds are generally named in approval letters to grant recipients and grant recipients are requested to acknowledge ACF and the relevant sub-fund in material related to grants made.

Please indicate if you would prefer to remain anonymous.

## 11. FUTURE OF THE SUB-FUND

ACF encourages donors to have written plans for the sub-fund once they are no longer able to be involved, through a statement of wishes. Initial preferences are sought below, but opportunities to discuss, finalise and revise these are provided as part of ACF's ongoing donor relationship program.

### **Bequest**

Yes, I will be leaving a bequest in my will to ACF to be added to this sub-fund or to the ACF Impact Fund.

I am unsure if I will be leaving a bequest to ACF, and would like to discuss it further at my annual sub-fund review.

### **Sub-fund Succession plan**

There are a number of ways a sub-fund can continue to give once the donor is no longer involved (for example, after death, through incapacity or upon resignation as sub-fund contact). Some donors request that ACF continues to make grants in line with the founding donor's interests and preferences. Others see it as an opportunity to help successive generations learn about and become involved in charitable giving. Please indicate your preference if known:

I request that Australian Communities Foundation discontinues the named sub-fund and places the remaining funds in the ACF Impact Fund.

I request that Australian Communities Foundation continues the named sub-fund and makes grants in its name to initiatives identified by the ACF Impact Fund.

I request that Australian Communities Foundation continues the named sub-fund and grants 4% of the net assets attributed to the sub-fund annually, in line with my funding priority areas.

I want to appoint successor adviser/s to request grants from the sub-fund in the future.  
I acknowledge any successor will be required to sign an acknowledgement similar to this establishment form.

I have no succession plans or preferences at this stage.

Please provide contact information for successor advisor/s (if known):

**(i) Successor Advisor (Primary)**

Name	<input type="text"/>					
Mr <input type="checkbox"/>	Ms <input type="checkbox"/>	Mrs <input type="checkbox"/>	Other <input type="checkbox"/>	<input type="text"/>	DOB.	<input type="text"/>
Organisation name (if appropriate)	<input type="text"/>					
Address	<input type="text"/>					
Home telephone	<input type="text"/>	Work telephone	<input type="text"/>			
Mobile	<input type="text"/>					
Email	<input type="text"/>	Occupation	<input type="text"/>			
Relationship to Sub-fund owner	<input type="text"/>					

**(ii) Successor advisor (Secondary)**

Name	<input type="text"/>					
Mr <input type="checkbox"/>	Ms <input type="checkbox"/>	Mrs <input type="checkbox"/>	Other <input type="checkbox"/>	<input type="text"/>	DOB.	<input type="text"/>
Organisation name (if appropriate)	<input type="text"/>					
Address	<input type="text"/>					
Home telephone	<input type="text"/>	Work telephone	<input type="text"/>			
Mobile	<input type="text"/>					
Email	<input type="text"/>	Occupation	<input type="text"/>			
Relationship to Sub-fund owner	<input type="text"/>					

ACF's sub-fund succession policy can be downloaded from the website.

## 12. DONOR ACKNOWLEDGEMENTS:

The donor has read, understood and agrees to the following:

### **Donor Gifts and Assets:**

- a) The gifts form part of the Trust Fund of Australian Communities Foundation and do not form a separate fund.
- b) The Trustee may change the name of the sub-fund if it is required under law or recommended by the ATO and will consider any request from the donor as to a change in name.
- c) The assets will not be invested separately from the Trust Fund.
- d) The assets will not be separately accounted for in the statutory financial statements of Australian Communities Foundation, although separate management accounts, known as sub-funds, in respect of the assets will be maintained for the purposes of internal management and identification. The Trustee will provide an annual report of the investments and grants attributed to the sub-fund to the donor, but is not to be under an obligation to do so.
- e) The Trustee may at any time cease to maintain a sub-fund and account for the money and investments in the general accounts for the Trust Fund.
- f) The Trustee is required to distribute a minimum of 4% of the net assets held in the Trust Fund annually, based on the net assets of the previous financial year.

### **Donor Grantmaking Requests**

The management of donor requests in accordance with the below paragraphs is necessary for any donations to be tax deductible, where the sub-fund is tax deductible:

- a) The Trustee is not required to respond to any request or indicated preference or to make a grant in accordance with a request or preference.
- b) The Trustee may invite the donor to make requests or indicate preferences at certain times but the Trustee is not required to invite the donor.
- c) The Trustee may make grants from the funds from the donor's gifts along with other money in the Trust Fund without first advising the donor or seeking a request.



### **Donor Fundraising and Marketing**

- a) The donor will not undertake any fundraising activities for the sub-fund without written authorisation from Australian Communities Foundation.
- b) The donor will indemnify Australian Communities Foundation for any claims or liability for injury or damage in relation to any fundraising event undertaken by the donor.
- c) The donor will clearly state in all marketing and communications material that the sub-fund is part of the Australian Communities Foundation. ACF's logo will be included on all published material, including websites.

### **Fees**

The donor has been advised of the current fee structure, as per Schedule 2.

SIGNED by Donor

Name of signatory  Date

Acceptance by the Trustee

SIGNED for and on behalf of Australian Communities Foundation Limited

Date

## SCHEDULE 1

### NOMINATED ADVISORY COMMITTEE

If the donor wishes to establish a sub-fund Advisory Committee to assist in recommending grantmaking guidelines, making grant requests to the Trustee and fundraising, please provide the additional names, addresses, and contact details of committee members.

Name

Mr  Ms  Mrs  Other   DOB.

Address

Telephone  Mobile

Email  Occupation

Authorised to make requests for grantmaking

Name

Mr  Ms  Mrs  Other   DOB.

Address

Telephone  Mobile

Email  Occupation

Authorised to make requests for grantmaking

Name

Mr  Ms  Mrs  Other   DOB.

Address

Telephone  Mobile

Email  Occupation

Authorised to make requests for grantmaking

## SCHEDULE 2

### DONOR ADMINISTRATION & SUPPORT FEE

ACF charges fees which are subject to periodic review and amendment by the Trustee.

There are no fees to establish a sub-fund. To assist with ongoing costs, ACF charges a Donor Administration & Support Fee.

This provides the necessary resources to operate efficiently and effectively, ensuring fiscal responsibility in grant due diligence, donor education, research, reporting and compliance and other activities.

ACF has a cumulative, tiered fee structure. Fees are assessed and deducted monthly based on sub-fund balances. The breakdown of the administration fee is as follows:

BALANCE	ANNUAL FEE
Assets up to \$500,000	2.2%
Next \$500,000 - \$1M	2.0%
Next \$1M - \$2.5M	1.0%
Assets over \$2.5M	0.5%
Not-for-profit organisations	1.2% on balances up to \$1M. Once a not-for-profit sub-fund reaches a balance of \$1M, the fee will follow the arrangements described for sub-funds. eg. \$1M-\$2.5M - 1.0% and over 2.5M - 0.5%

### INVESTMENT MANAGEMENT FEE

ACF utilizes professional investment advisers to invest funds under management. The annual Investment Management Fee for this service is paid on total funds under management, as follows:

- ◆ 0.5% of capital on funds up to \$30 million and
- ◆ 0.3% of capital on funds above \$30 million.

The Investment Management Fee is assessed and deducted monthly.

#### **For Office Use Only**

Fund Type:  Fees:

Fund Category:  Fund ID: