

Policy – Sub-fund Establishment Policy

Policy Area	Donor Services and Devt	Policy Number	
Approved by the Board	Nov 2014	Next review date	Sept 2017

Purpose

ACF inspires and encourages accessible philanthropy by enabling donors to establish and build sub-funds through which to support positive social change and build healthy resilient communities.

In approving new sub-funds the Trustee (ACF Board) needs to be confident that potential donors understand the legal status of the sub-fund they are establishing, the purpose of the sub-fund is within the ACF's vision, mission and value parameters, that the donations being placed in the sub-fund do not contravene ACF's ethical investment guidelines and that the source of the donation will not damage ACF's reputation.

Policy

- A minimum donation of \$20,000 is required to establish a sub-fund with ACF and the donor must have the capacity to build the sub-fund to \$100,000 over time, through on-going donations or bequest.

Prior to approving a new sub-fund, ACF will undertake due diligence to ensure that:

- The potential donor is clear that the sub-fund is not a separate legal entity, but is a management account within the overall Trust Fund, and the rights and obligations this imposes on the donor and ACF Board;
- The purpose of the sub-fund is within the vision, mission and value parameters of ACF
- The donations being placed in the sub-fund have been sourced in a way which does not contravene the Foundation's values and ethical investment guidelines (excludes companies whose dominant purpose or product relates to tobacco, gambling or weapons) or damage ACF's reputation.

Procedure

1. Whenever potential donor makes contact by phone/email initial questions are answered, an information pack sent and a face to face meeting offered.
2. Potential donor is asked how they heard about ACF, who referred them and why they came to ACF – to gain insight into the type of donor they might be and some details regarding their background. Confirm that potential donor understands basic information – legal status of sub-fund, minimum establishment amount, fee structure, investment options.
3. Staff will also carry out a limited desk top verification of the potential donor via Google, LinkedIn or other publicly available information. .

4. Details of the potential donor together with any notes of any discussions/email and other information will be added to ACF's database.
5. Ensure that the completed establishment form and donation are received.
6. Once the completed establishment form and the donation are received an email is sent to each Board member seeking their consent to the establishment of the sub-fund. This will be accompanied with copy of establishment form, providing name of donor, name of sub-fund, establishment amount, and other relevant information such as why sub-fund being established, fund purpose , donor background etc.
7. Board members are given 48 hours, and if no concerns or questions flagged, approval is assumed.
8. Any concerns expressed by one Board member will be circulated to all board members. A Board member has the right to veto the matter for further discussion at the next Board Meeting. .
9. Once the sub-fund is approved, a welcome pack is sent with copy of the sub-fund manual. A receipt is sent within 48 hours of approval.
10. Details of new sub-funds are listed for noting at the next Board Meeting.