

## Policy – Sub-fund Establishment Policy

Policy Area	Donor Services and Devt	Policy Number	D2
Approved by the Board	Dec 2018	Next review date	Dec 2020

### 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.
- If a sub-fund is identified as a fund raising fund of many donors, fund holders are able to take 12 months to establish the minimum \$20,000.

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.