

GUIDELINES ON DONATIONS TO INDIVIDUALS

**Developed by
the Fraser Coast Apex Club 2018**

The Association of Apex Clubs undertakes activities and fundraising efforts every year to build better communities. Throughout this process, monetary donations are often provided to support essential community services and assist those in need. At times clubs are approached by individuals seeking support for a variety of circumstances and needs, however care must be taken to ensure the legitimacy of such requests is determined and that the provision of any financial support is ethical, process (and not emotive) driven and an appropriate use of club money.

The following guidelines provide the basis for which Apex Clubs can respond to requests, and subsequently provide support to individuals while ensuring the appropriate, ethical and lawful distribution of community funds.

- 1.** Individual Clubs should determine what level of financial risk they are prepared to accept in regards to donations to individuals and nominate a suitable amount that serves as a threshold. Clubs may also determine what circumstances would qualify for assistance that exceeds this threshold. The amount and qualifying circumstances for additional assistance should be included in the club's standing orders. It may be that a club can set aside its standing orders and that would need to be taken into account so that any new guideline on donations is not thwarted.
- 2.** When a request for financial support for an individual is received by the Club, it shall be formally documented as inwards correspondence and recorded in Dinner Meeting Minutes. It should also be documented whether they are seeking a monetary, material or in-kind donation.
- 3.** The Club should then investigate the legitimacy of the request by obtaining documented evidence of the circumstances surrounding the request. This documentation could include:
 - Additional evidence to support statements made by the individual making the request- these include verifying any references or letters of support, asking for a copy of any medical or other official reports relevant to the request.
 - Invoices where equipment needs to be purchased.
 - If contributions have been requested and/or received from multiple entities, a breakdown on what funds have been donated and how these funds were, or plan to be, utilised.

4. Clubs should assess the conditions of the request to determine whether there are any legal ramifications associated with the donation. For example, if the request requires the club to be the ongoing bearer of money raised on behalf of an individual and to distribute the funds to the individual over an extended period of time, the club should consider whether the request is associated with an attempt to avoid taxation and/or financial reporting obligations. If the circumstances surrounding the request raises questions as to the legality of a potential donation, caution should be exercised and the club should seek legal advice and inform the National Board it has done so.

5. As a general rule, clubs should ensure that any donation considered is consistent with Objects of the Association listed in the Constitution of the Association of Apex Clubs, in particular Sec. 4.2 (G) (i)-(v):

To apply the income and/or assets of the Association:

(i) to any purpose that the Commissioner of Taxation would consider as charitable for the purposes of obtaining income tax exemption;

(ii) for the relief of poverty;

(iii) in the promotion and development of medical and/or scientific services as is necessary for the relief of suffering and disability;

(iv) in the promotion and development of international understanding and contact and welfare aid programmes by Australians with people of other nations;

(v) in pursuit of charitable purposes.

6. Use discernment when assessing requests through online fundraising platforms (e.g. gofundme) as they have no obligation to verify the use of any funds raised (<https://au.gofundme.com/terms>).

7. Clubs may consider alternative means of providing assistance when receiving requests for monetary donations to individuals. This could include the purchase of goods to be donated to the individual, making payments to service providers to deliver the assistance or service, or providing the means for other fundraising, such as the purchase of a raffle item. These alternative methods can assist in reducing financial and/or legal risk to clubs.

8. Requests should be considered on a case by case basis. The agreed terms and conditions of the donation must be motioned and endorsed by the club and the monetary or material donation transferred to the individual or service provider within a reasonable time frame.

9. Following the donation, the club should make contact with the individual to obtain an update on how the donation has assisted their circumstances. Undertaking basic monitoring and evaluation enables clubs to measure the

effectiveness of the contribution, identify opportunities for improvement from any lessons learned and continue to achieve our goal of Building Better Communities.

These guidelines are voluntary for clubs and members to adopt, they are not compulsory. We submit these guidelines will be useful assistance to a club that has no set guidelines already. We also believe that these will also support clubs by providing a reason for a refusal (ie a request did not meet the national guidelines).

Definitions

- Monetary Donation to Individuals; cash, cheque or EFT to an individual and/or their personal bank account
- Material Donation to Individuals; provision of goods to an individual