

 <p>TRUST WAIKATO TE PUNA O WAIKATO</p>	<h1>Donations 2017</h1>	
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Purpose	<p><i>The Donations Policy guides Trust Waikato's distribution of a proportion of its funds to support a wide range of not-for-profit groups and the projects that they undertake, with the ultimate aim of benefiting people in the Trust's region.</i></p>	

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1.0 Introduction

The following document summarises the Trust’s donation policies which exist within the context of the Trust Deed and the Trust’s Vision, Mission and Principles. For completeness these overarching purposes are set out below:

2.0 Trust Strategic Plan *see also 2014 – 2016 Our Strategy*¹

Trust Object: The Trustees shall stand possessed of the Trust Fund UPON TRUST to be applied for charitable, cultural, philanthropic, recreational and other purposes beneficial to the community principally in the Specified area.

Trust Vision: Our Vision is for resilient and vibrant communities.

Trust Mission: Our Mission is to invest wisely and to donate effectively.

We aim to **invest wisely** by:

Valuing the current and future worth of the Trust’s resources

We aim to **donate effectively** by:

Valuing and promoting community development

Valuing and facilitating community organisations

Valuing and respecting Maori as Tangata Whenua

Valuing and recognising cultural diversity

Trust Region: The Specified Area set out in the Trust Deed “means all that area comprising the counties of Coromandel, Hauraki Plains, Matamata, Ohinemuri, Otorohanga, Piako, Raglan, Taumarunui, Thames, Waikato, Waipa, and Waitomo and including all cities, boroughs and town districts surrounded by or contiguous to those counties, as the said counties were constituted on the first day of October 1964.”

In today’s terms these are largely the areas of the following territorial local authorities: Hamilton City, Thames/Coromandel, Hauraki, Matamata Piako, Waipa, South Waikato, Waikato, Otorohanga, Waitomo, Ruapehu.

¹ As a result of a review in 2016, the 2016-2016 Strategic Plan will be replaced during 2017.

The Trust acknowledges that this area includes much of the lands of the Tainui waka, and thus the people of Waikato, Raukawa, Hauraki and Maniapoto.

Te Tiriti o Waitangi

Trust Waikato is committed to achieving the aims and objectives of Te Tiriti o Waitangi by valuing and respecting the tangata whenua status of Maori within the partnership described in Te Tiriti.

The partnership is between tangata whenua, the indigenous people of this land, and tangata tiriti, the many diverse peoples who have come to this land. The Trust honours and respects all those within these partnerships.

3.0 Overview

Trust Waikato distributes a proportion of its funds annually, primarily through three donation rounds and the Significant Capital Projects Fund each year. These donations support a wide range of not-for-profit groups and the projects they undertake, with the ultimate aim of benefiting people in the Trust's region.

Applications are made on the Trust's application form either on-line² or on the paper form. After assessment of each application by staff, trustees are responsible for all Trust Board donation decisions.

The criteria for donations are reviewed annually and the Trust sets priorities to guide its donation decision making. (See section 4.0 Current Donation Focus.)

The Trust believes that all of its funding is contestable, and it will continually seek better ways to support activities in the community. (See section 12.0 Donation Amounts.)

4.0 Current Donation Focus

During the development of the Trust's 2014-2016 Strategic Plan, the Trust confirmed its focus on projects, programmes and organisations which contribute to the well-being of communities.

While the Trust supports most groups and activities, our focus is on supporting those communities most in need.

4.1 Supporting families and young people

We strongly support those programmes which deal with the underlying causes of social problems. This includes projects which support families and protect children and older persons.

² Applications for the Significant Capital Projects Fund and for Multi-Year Donations may only be made on-line. See sections 12.5 and 13.0, respectively.

4.2 Encouraging participation and inclusion

Ensuring that all people have opportunities to feel part of their community – for education, work or leisure - is important to Trust Waikato.

We support promoting participation in sport, recreation and the arts, and involvement in community and cultural celebrations.

4.3 Supporting volunteers

The Trust strongly supports the voluntary nature of much of the work which benefits our communities and the organisations within. The Trust's focus is on promoting, training and supporting volunteers and their contributions.

4.4 Supporting Iwi and Maori Communities

Trust Waikato has a significant commitment to honouring Te Tiriti o Waitangi.

The Trust wishes to support projects and organisations which are at the heart of resilient and vibrant whanau, hapu and iwi. Donation priorities include supporting marae development and funding significant Maori projects.

4.5 Preserving and celebrating cultural identity

Our community's history and sense of identity is important to us all.

The Trust wishes to support significant initiatives of Pacific peoples and other ethnic communities.

We support projects that preserve³ and protect our history, taonga and artifacts and those which promote understanding of the culturally diverse and vibrant nature of our region.

4.6 Building resilient communities

The Trust is keen to support projects or programmes provided for people who have been denied a quality of life enjoyed by the majority.

Some communities have distinct needs – perhaps because of their size, location or population characteristics – and the Trust supports community groups working actively to service these needs in identified areas. For example, we are aware of the issues of access and transport faced by remote rural communities.

We work alongside organisations with established networks in communities experiencing high needs. In particular, the Trust funds broker groups to facilitate access to information and funding opportunities in areas of high need.

Improving community resources is, literally, a building block towards improving social well-being for a community. The Trust encourages schools, sports and recreation clubs and community groups to share resources and facilities where possible.

³ See Appendix D Guidelines for preserving art and taonga of significance to the region

4.7 Strengthening the community and voluntary sector

Great work in the community requires strong and viable organisations. The Trust does fund the management and operational infrastructure of groups.

We work alongside organisations to improve their capacity and sustainability. We encourage groups to use accountability and evaluation as a platform for learning.

The Trust encourages collaboration between community groups and advocacy to strengthen the community and voluntary sector.

The Trust supports community groups to develop sustainable social enterprises.

4.8 Regional Priorities

Although rich in resources and capacity to address social, cultural, economic and environmental well-being, the size, diversity and inequalities of the Trust's region present challenges for some groups and communities.

The table below shows the areas of highest level of deprivation for local authorities in the Trust Waikato region, based on NZDep2013⁴. Nationally, 20% of the population live in each quintile. Quintiles combine two decile levels; Q5 includes deciles 9-10, the most deprived areas. Different locations have different deprivation profiles.

Quintile	Local Authority	Specific Area with decile 9-10 (Census Area Unit)
Q5 ≥ 40%	South Waikato (51%) Part Ruapehu (44%) Hauraki (40%) Waitomo (39%)	Matarawa, Aotea, Putaruru, Stanley Park, Tokoroa Central, Parkdale Manunui, Ohura, Tarrangower, Taumarunui Central, Sunshine-Hospital Hill Kerepehi, Paeroa, Waihi Tiroa, Te Kuiti
Q5 21% - 39%	Waikato (22%) Hamilton (26%)	Huntly East, Taupiri Community, Meremere, Huntly West, Ngaruawahia Swarbrick, Porritt, Clarkin, Hamilton East, Bader, Crawshaw, Insoll, Hamilton Central, Enderley, Grandview, Frankton Junction, Melville

<http://www.ehinz.ac.nz/indicators/population-information/socioeconomic-deprivation-profile/>

Trust Waikato will support community groups active in the areas of highest deprivation. The Trust is also aware of the particular needs of some rural communities and of communities with limited access to other funding.

⁴ NZDep2013 combines nine variables from the 2013 Census which reflect eight dimensions of deprivation. The (ordinal) decile scale ranges from 1-10, where 1 represents the least, and 10 the most, deprived areas. Quintiles combine two decile levels – Q5 includes deciles 9-10, the most deprived areas.

5.0 Donation Categories

Organisations applying for donations are categorised, by staff, according to the New Zealand Standard Classification of Non-profit Organisations (NZSCNPO) as specified by Statistics New Zealand.

The categories are:

1. Culture and recreation
 - 1.1 Culture and arts
 - 1.2 Sports
 - 1.3 Other recreation and social clubs
2. Education and research
3. Health
4. Social services and emergency relief
5. Environmental and animal protection
6. Economic, Social and Community Development
 - 6.120 Tangata Whenua Governance
7. Civic and advocacy groups
8. Philanthropic and other intermediaries
9. International organisations, aid and relief
10. Religious congregations and associations
11. Unions, business and professional associations
12. Not elsewhere classified

Each category has further subcategories. For example: Category 1, Culture and recreation, includes 1.1 Culture and arts, 1.2 Sports, 1.3 Other recreation and social clubs.

These categories assist the Trust to understand the impact of its donations and to track priorities and trends in donations over time.

6.0 Donation Budget

Each year the Trust sets the budget for the following year's donations. The Trust tries to maintain a consistent level of donations, and aims to distribute approximately 4% per annum of the Base Capital Value of the Trust Fund. However the donations budget may be affected by the Trust's level of reserves and return on investments.

A small portion of the annual donations budget is set aside as a **Donations Contingency Fund** each year to provide for out of round applications.

From 2015, a **Significant Capital Projects fund** is available for donations towards capital projects with total costs of \$1million or more. The fund size is determined as part of the annual donations budget process.

Any application for a very large capital project which has regional significance, or greater, may be considered outside the annual donations rounds (see section 7.0, below).

7.0 Annual Donation Rounds

The Trust administers three general donation rounds per annum. The timing enables donation advisors to discuss applications with community groups during the assessment phase, where that would be helpful.

In addition, there is an annual round for the Significant Capital Projects Fund. All requests for a donation towards a capital project for which the total costs are \$1million or more must be made to this Fund (see section 12.5, below). This round is at the same time as the middle general donations round.

The approximate annual timetable is as follows:

	Applications Close	Assessment	Donations Advised /Paid
Round 1 General round	February	February-April	May
Round 2 General round and Significant Capital Projects round	June	June-August	September
Round 3 General round	September	September-November	December

The closing dates for each donation round are confirmed by the Trust in the preceding year. The timetable and process is widely advertised on the Trust website, www.trustwaikato.co.nz, in local and regional newspapers and directly to community groups and previous applicants. Information is also available on request.

Note that, normally, each community group is only eligible to receive one donation per calendar year. However, groups which apply in the Significant Capital Projects round may also apply for a different purpose through the general donation rounds.

A group which has had an application declined may make another, different, application to a later round in the same year (see 9.0 below).

Ideally groups should have spent the previous year's donation before applying again.

8.0 Out of Round Applications

Out of round applications (those received outside of the donation round timetable) will not be considered except where there is an emergency situation or an event which could not have been anticipated.

9.0 Group Eligibility

9.1 In general organisations eligible for donations must operate in the Trust area. (See section 2.0.) National organisations will be considered for donations to the extent that they provide benefit to the Trust's region. Those organisations that fall slightly outside the boundaries of the region will also be considered to the extent that they provide benefit to the region.

New Zealand-wide applications (see section 22.0) received through the combined community trusts of New Zealand will be considered, where possible, at one of the donation rounds.

9.2 The Trust does not fund individuals.

9.3 In general, organisations eligible for donations must:

- a. be an incorporated society, or
- b. be a registered charitable trust, or
- c. be a limited liability company fully owned by one of the above and operating for charitable purposes, or
- d. be controlled or co-ordinated by an arm of central or local government, or
- e. be controlled by an association of persons under an adopted constitution, and rules,
- f. produce annual financial statements and reports (see 11.0), AND
- g. be in the Trust area.

9.4 **Usually only one application will be accepted from each organisation in a round.** If an organisation submits more than one application, staff will contact the applicant(s) to attempt to reach agreement regarding the consolidation of the applications. If agreement cannot be reached on consolidation then this will be reported to the Trust.

9.5 The following organisations are subject to specific provisos:

- a. The Trust will not fund church-based or religious activities which should, in the view of a reasonable person, be the responsibility of churches to fund. The Trust only funds projects being sponsored by churches or religious organisations where there is a clear wider community benefit which will be derived from such a project.
- b. The Trust will consider projects sponsored by local or central government in a co-ordinating role. However, see section 17.0 Areas of Government Responsibility.
- c. Schools (including Parent Teacher Associations) must make applications through their Board of Trustees.
- d. The Trust cannot fund for-profit groups. However, it will consider applications from not-for-profit groups which have an aim of supporting the community through enhanced economic activity.
- e. The Trust will generally not fund those groups which have a polarised political activity as their main focus.
- f. The Trustees need to be able to see that funding will provide a direct benefit to people. The Trust will, for example, only fund environmental projects and projects relating to animals where such a direct people benefit can be shown.

Having said this, the Trust will consider applications aimed at preserving and enhancing culturally significant flora and fauna.

10.0 Project/Programme Eligibility

10.1 Ineligible Projects

Generally the Trust will not make donations for:

- a. individuals
- b. travel overseas or outside of the region
- c. conference attendance or accommodation
- d. vehicles
- e. completed projects
- f. sports uniforms
- g. prizes and trophies
- h. commercial organisations
- i. religious ministry
- j. loan repayments or other debt instrument repayments
- k. venture capital
- l. endowments
- m. fundraising

Potential applicants are encouraged to contact a Donations Advisor as exceptions may be made where the project can demonstrate strong links to a focus for the Trust (refer to section 4.0, above).

10.2 By preference donations will be made to:

- a. organisations that provide services to those who may have been denied a quality of life enjoyed by the majority,
- b. organisations which offer their facilities or services for the benefit or enjoyment of the public and contribute to community well-being,
- c. groups which give their time to helping social problems,
- d. groups that can show community support for their operation,
- e. groups which have a proven track record in their area of operation, though the Trust may support new organisations that have significant potential,
- f. groups applying for projects which are consistent with the Trust's current focus (see 4.0, above),
- g. groups which have strong volunteer involvement,
- h. groups which can show that their activity or project can make a real difference in terms of the above criteria.

The Trust will have regard to the overall level of community benefit that could be expected to be derived from the applicant group or the project.

11.0 Assessment of Applications

11.1 Information Required

- a. Applications must be made on the Trust application form, either through the Trust's on-line⁵ application facility or by submitting a completed paper form.
- b. Applications will not generally be considered unless the application form is completed and the following are included:
 - Financial Statements,
 - Chairperson's Report, or report on previous year's activities,
 - latest bank statements and a printed bank deposit slip or bank verified account details,
 - accountability for any previous donations.
- c. Presentation of financial statements
The most recent financial statements must be included with an application.
The assessment process includes analysing the financial sustainability of applicant organisations.

New financial reporting standards for public benefit entities and registered charities were passed in to law in November 2013. These changes will take effect for financial years beginning on or after 1 April 2015. Organisations will need to ensure their financial statements comply with the finalised standards from that date.

Organisations are referred to the following websites for further information:

www.charities.govt.nz

www.xrb.govt.nz

Applicant organisations which are neither a public benefit entity nor a registered charity should present financial statements which comply with current NZ GAAP (Generally Accepted Accounting Practice in New Zealand).

- d. Auditing of financial statements
The Trust advises groups to have their financial statements reviewed or audited as appropriate to the size, expenditure and operations of the group.

Recent changes to the Charities Act 2005 create statutory audit and review requirements for medium and large Registered Charities from 1 April 2015. Audit and review engagements must be carried out by qualified auditors.

If applicant groups are considered large (expenses \$1,000,000 or more) or medium (expenses \$500,000 or more and less than \$1,000,000) they will need to comply with the applicable auditing and assurance standards.

⁵ Applications for the Significant Capital Projects Fund and for Multi-Year Donations may only be made on-line. See sections 12.5 and 13.0, respectively.

Charities Act 2005 (As amended by the Charities Amendment Act 2014) S42C and s42D When financial statements must be audited or reviewed	
Charity Size	Assurance Required
Total operating expenditure \geq \$1million	Audit
Total operating expenditure \geq \$500,000 and $<$ \$1million	Audit or Review
Total operating expenditure $<$ \$500,000	None

(Note that organisations receiving multi-year donation commitments must submit audited or reviewed financial statements annually – see Section 13.1 d.)

11.2 **Completeness of Application**

Applications which are incomplete will not be accepted and will be returned to the community group to be completed and submitted to a later round.

The reason the information listed above is required is to allow staff to assess whether a group is bona fide.

In the absence of some of this information staff may rely on other information provided by a group which establishes their status, noting that:

- a. in the absence of such information, donation recommendations are kept at a lower level.
- b. notwithstanding the above, a donation can only be direct credited to a group's (not an individual's) bank account, hence a printed bank deposit slip or bank verified account details are essential.

11.3 With respect to paper applications that have not been signed by an authorised person:

- a. staff will contact groups whose application forms have not been signed, and who would otherwise be eligible to receive a donation, and give those groups an opportunity to make good the omission within two weeks of the request,
- b. unsigned applications will not be considered for donations if the group has been given an opportunity to sign the same, and has not done so. These applications will be treated as "incomplete" – see 11.2, above.

Note that online applications cannot be submitted if the appropriate authorising section has not been completed.

11.4 **Late applications.** Applications which are received after the closing date for a Donation Round will not be accepted. The group will be advised that the application will be processed in the next round, or returned to them, whichever is appropriate.

11.5 **Donation misuse.** Using a past donation for a purpose other than that approved by the Trust will mean that at least the next subsequent application will be declined. Before the funds are spent, groups may request a change of use for a donation.

11.6 Applicants must apply for funds for a specified purpose. A greater level of detail and project justification will be required for applications which request larger amounts. The level of donation approved is relative to the size of the project.

11.7 Level of Financial Reserves The Trust acknowledges that it is prudent for organisations to carry financial reserves for their operations and funding tagged for specific projects. The Trust also acknowledges that some groups receive bequests, endowments or other investments, which may be tagged for special purposes, including ongoing income generation.

However if an organisation is carrying reserves greater than one year of operating costs, with the funding not tagged for special projects, then the Trust is less likely to approve a donation to the organisation.

11.8 Fraud

The Trust views seriously any attempt to defraud the donation process and will take action if false or misleading information is provided, or information which has a bearing on the application is not disclosed, at any time during the donation process, accountability or when reporting on the outcomes of a donation. (See also section 16.0)

11.9 Unlikely to Proceed Applications

- a. In general the Trust only commits funds to projects when it is clear that the project in question will be able to proceed within a year.
- b. When a group's application is declined as "unlikely to proceed" within a year, the group will be invited to discuss, with staff, the application and appropriate timing for an application to be submitted at a later donation round.

11.10 When Project Proceeds

- a. Staff are given the discretion to recommend a conditional donation to a group, notwithstanding the "Unlikely To Proceed" rule, above, when the donation would otherwise fulfil the Trust's strategic objectives with regard to targeted groups, issues or areas.
- b. These "when project proceeds" donations enable the Trust to indicate to a group a donation commitment, but to not pay out the donation until the group provides evidence to the Trust that the project, as originally applied for, is going ahead. This includes confirmation that funding for the whole project has been obtained.
- c. When project proceeds donations are generally available for two years. An extension for a further year may be sought by writing to the Trust requesting an extension, and is approved, or not, by the Chief Executive. However if the donation has not been used within 3 years, the donation commitment will be withdrawn. In this situation, should the project be pursued, the organisation may apply for a new donation in the normal way, but must make a strong case for the viability and likelihood of the project going ahead within a year.

11.11 In relation to regionally significant projects the Trust will:

- a. normally only commit funding to such projects once all other funding has been secured and conditions have been settled, and
- b. make any such commitment conditional on all other funders' conditions remaining unchanged.

12.0 Donation Amounts

12.1 **Considerations:** The amount donated to each group will take a range of factors into consideration. The current minimum donation is \$500 and there is no maximum set. The main considerations are the size of the group, the group's history, the project being undertaken and its level of community benefit, and the project's fit with the areas of focus (see section 4.0, above).

12.2 Organisations with members

In general, organisations with a greater number of members will receive larger donations. However, groups in areas of high deprivation (see section 4.8, above) are also likely to receive higher donations, particularly if their access to other funding is limited.

12.3 The Trust will, by preference, support organisations that can sustain their operation independently of any contribution received from the Trust. In practice this means that the Trust prefers not to fund more than 10% of the operating costs of an organisation.

For smaller capital projects (below a total cost of \$1million), the Trust will provide **up to** 10% of the capital costs of the project. This level of contribution means that there is still a significant requirement for the group to raise the rest of the funding themselves.

The 10% policy for both operational costs and capital projects can be varied up to 20% if

- a. there is significant volunteer labour, fundraising or other meritorious factors.
- b. the project is regional in nature (see also 11.11, above).
- c. the group operates in a high deprivation area (see 4.8, above).

In exceptional circumstances, on a case by case basis, the Trust may consider funding a higher percentage. See also section 12.5 Significant Capital Projects, below.

When a capital project is funded, the donation may be held back until it is clear to the Trust that it will proceed as outlined in the original application, and also until any other conditions set by the Trust have been met (see also 11.10, When Project Proceeds, above).

12.4 In assessing the level of **contribution to sporting groups** the Trust will take into account the extent to which a sporting group's plans are co-ordinated with other local, regional and national plans and the number of participants in the sport.

12.5 Significant Capital Projects

- a. From 2015, a **Significant Capital Projects fund** is available for donations towards capital projects with total costs of \$1million or more.
- b. Applications for capital projects with total costs of \$1million or more **MUST** come to the Significant Capital Projects Fund, not to the Trust's three general rounds.
- c. Applications for Significant Capital Projects are considered once a year, with the same closing date as for Round 2, and must be completed on-line.
- d. Applications must include a completed, up to date feasibility study.

- e. As with all applications, organisations are strongly encouraged to contact Trust Waikato staff to discuss projects which might be considered under this fund.
- f. The Trust will be proactive in discussing **major projects** with other funders and should be able to indicate potential support to applicants (see also 18.0, below).
- g. The Trust will base its decisions on the size of donations for significant capital projects on the community benefit and need for funding for each project.
- h. Those organisations with committed Significant Capital Project Fund donations which are not paid out within 12 months of the approval (see When Project Proceeds, section 11.10, above), are to report progress on the project to the Trust Waikato Board before consideration of the next round of SCPF applications.

13.0 Multi-Year Donations

The Trust will invite applications for **Multi-Year Donation Commitments** in any of the three general donation rounds.

Multi-Year donations will be considered within the following guidelines.

13.1 General guidelines

- a. the purpose of the organisation and its work is closely aligned with the donation focus of the Trust;
- b. **and** a multi-year donation will assist the organisation better achieve its mission, provide ongoing quality services, strengthen its planning or build its capacity;
- c. **and** the organisation has a track record with the Trust of at least 3 consecutive years of donations and appropriate accountability reporting;
- d. **and** the organisation has audited or reviewed annual financial statements with no significant qualifications. Financial statements for large organisations (expenses \$1million or more) must be audited by a qualified auditor. Financial statements for all other organisations applying for a multi-year donation must be reviewed by a qualified auditor.

13.2 Payment of the next year or years of multi-year donations will be “approved in principle” subject to the following;

- a. an appropriate accountability report and the most recent end of year financial statements (audited or reviewed, as in 13.1 d, above) being received by the date specified in the letter informing the organisation of the multi-year donation commitment. (This date will normally be the closing date of the same application round as the round in which the original application was made.) The accountability report must be completed online.
- b. and there being no material changes to the organisation’s work or financial position.

13.3 Normally multi-year donation commitments will be for the same donation amount each year.

13.4 Multi-year donations will not usually be for amounts less than \$10,000.

13.5 Organisations receiving a multi-year donation commitment may also apply for a donation towards major capital works or a significant new service over the same time.

- 13.6 Organisations declined for a multi-year donation will be considered for a single donation within the same round.
- 13.7 In making multi-year donations the Trust is mindful of the need to balance commitments to multi-year donations and annual donations.

14.0 Strategic Partnerships

- 14.1 The Trust will seek out/initiate **strategic partnership opportunities** based on needs identified through the community or from its own strategic review and focus. Partnering is acknowledged as key to addressing complex problems which are beyond the capacity of any one group working alone. These partnerships may result in multi-year donation commitments.
- 14.2 The major criteria for the Trust in entering into any partnered relationships is a focus on shared values, principles and goals and an explicit attempt to seek some form of permanent improvement to community well-being.
- 14.3 Applicants for strategic partnership funding will need to provide additional information with their application including:
- a. organisational goals,
 - b. project goals, if the project that is the subject of the strategic partnership bid is a smaller part of the organisation's overall activities,
 - c. a statement as to why the project would benefit from a multi-year or partnership commitment,
 - d. an indication of which other stakeholders have been consulted in relation to the project and their response to it, and
 - e. how the group plans to meet the major goals for multi-year funding relationships.
- 14.4 Strategic partnership funding, if approved, will be subject to the establishment of a collaborative agreement for reporting achievement of agreed goals at interim points.
- 14.5 The Trust strongly recommends that an appropriate evaluation is conducted for strategic partnerships, and may choose to contribute toward funding the evaluation.

15.0 Community Loans

The Trust has, from time to time, made loans available for large community projects on a discretionary basis.

In February 2016 the Trust suspended the Community Loans Policy. Any requests for the Trust to consider a loan should be made to the Chief Executive in the first instance.

16.0 Accountability

The Trust expects that donations will be spent for the purpose for which they are granted and that organisational or community benefits will be the result. Donations should not be donated to other community groups. (See also 11.5, Donation misuse.)

An accountability report will be required either when the group makes a subsequent application or within 12 months of receiving the donation, whichever comes first. The accountability report should be appropriate to the size of the donation and project.

Groups will be required to report on the expenditure and outcomes of the donation, for example, how the money was spent and the impact the donation had on the community. Accountability conditions may be imposed on donations, in writing, from time to time. If false or misleading information is provided, or key information is not disclosed, then the Trust may take action against this fraudulent reporting. (See also sections 11.8, 13.2.)

Follow-up on donations is undertaken in a number of ways. Trust Waikato Donation Advisors aim to call or visit, in particular, those groups which receive a donation of \$5,000 or more. This may be undertaken in conjunction with subsequent donation application investigations.

17.0 Areas of Government Responsibility

17.1 The Trust does fund projects and organisations in partnership with the government. However, the Trust does not wish to take over areas that are clearly the responsibility of central or local government. The following questions are considered when deliberating on such applications:

- a. Would a reasonable person expect the government to fund this project?
- b. Can the organisation afford to fund the project itself?
- c. Will the organisation's members directly benefit from the project?
- d. Is there a more general community well-being benefit from the project?
- e. Given all the circumstances will the project make a real difference in the organisation or community?

17.2 At times the Trust will consider moving into areas which would traditionally be considered as being the responsibility of local or central government. However any such applications will be treated cautiously and on the merits of the application.

17.3 Guidelines for applicants in such education areas are found at Appendix A.

18.0 Consultation

18.1 Trust Waikato wishes to be proactive in discussing major projects with other funders and should be able to indicate potential support to applicants.

The Chief Executive and Donations Advisors are authorised to discuss draft donation recommendations on a confidential basis with appropriate parties, as agreed to from time to time by the Trust, such as:

- a. the Community Development section of the Department of Internal Affairs
- b. Te Puni Kokiri
- c. Creative Waikato
- d. Community Waikato
- e. WEL Energy Trust
- f. Local Authorities in the Region, with respect to applications received from their areas
- g. Sport Waikato
- h. Lion Foundation
- i. D V Bryant Trust
- j. Maori Trust Boards in the region

Funding priorities of other funders will be considered when making donation recommendations and decisions.

- 18.2 Local Authorities within the Trust's area may be invited to inform the Trust of their community priorities. The Trust will be advised of key projects included in the councils' long-term council community plans and/or annual or local community plans.

These local priorities will be considered when making donation recommendations and decisions.

19.0 Research Projects

- 19.1 The Trust may support research in line with its donation focuses and policies as set out above.

- 19.2 The Trust is keen to work as a funding partner with tertiary education providers to assist the research being undertaken by the staff and students of these institutions, where the research fulfils the criteria set out below.

If any of these institutions are undertaking research which they would like the Trust to consider then they should submit an application to the Trust as part of the Trust's usual donation process. Guidelines for applicants are found at Appendix B.

20.0 Conflicts of Interest *see also Disclosures of Interest within the Governance Manual*

Trustees are required to declare any direct or indirect conflict of interest in relation to any application being considered. For example, a direct conflict exists when a Trustee is a member of an applicant organisation. An indirect conflict exists when a member of a Trustee's immediate family is a member of an applicant organisation. Staff members are also required to declare any conflicts of interest.

Trustees and staff are also required to disclose interests relating to the contractual or financial business of the Trust.

The full policy and procedures relating to the disclosure of interests are outlined in Section 9.0 of the Governance Manual.

21.0 New Zealand Wide Applications

From time to time all New Zealand Community Trusts receive applications that have national benefit. Guidelines for applicants in such areas are found at Appendix C.

Policy	Donations	
Version Control		
1.0	Policy revised	19 February 2007
2.0	Draft policy updated with Community Loans and Research Policy inclusions, new format and numbering	13 June 2007
3.0	Proposed policy includes incorporating the move to three donation rounds per annum, from 2008.	30 October 2007
4.0	Final 2008 Policy adopted	17 December 2007
5.0 – 10.0	2009 – 2014 Policies	Nov/Dec of preceding year
11.0	2015 Policy	4 December 2014
12.0	2016 Policy	3 December 2015
13.0	2017 Policy	8 December 2016
Review Schedule		
A	Annual	December

Appendix A Guidelines for education applications

See also section 17.0 Areas of Government Responsibility.

Early Childhood Education (ECE)

1.0 Background

Trust Waikato has approved guidelines for assessing donation applications from the early childhood education (ECE) sector to ensure that its donations to ECE's reach the groups with the most significant needs and are aligned with the Trust priorities⁶ overall.

2.0 How do we assess ECE applications?

2.1 Trust Waikato will assess applications from all not-for-profit ECE's on a case-by-case basis.

2.2 Priority will be given to ECE's:

- in rural locations,
- in areas of deprivation (as identified in the Trust Donation Policy),
- who offer culturally specific services – Kohanga Reo, Pasifika,
- who are less likely to receive significant government funding (for example those not eligible for the 20 free hours scheme).

2.3 The Trust **does not** fund core educational functions, such as books, computers, basic educational resources, teachers' salaries and operational expenses.

2.4 Assessment of applications will take in to consideration the Trust ECE priority areas as outlined in point 2.2 above. The following projects will be considered for funding:

- Sunshades
- Playgrounds
- Outdoor sports or play equipment
- Heating equipment
- Necessary building alterations
- Staff development

While this list is specific, it is not exhaustive; each application will be assessed on a case-by-case basis with 'need' of the community being the paramount criteria.

⁶ The Trust's funding priorities are contained in the Trust Waikato 2014-2016 Strategic Plan and 2015 Donation Policy, both available from the web site www.trustwaikato.co.nz, or by calling 0800 436 628

Primary and Secondary Education

1. The Trust **does not** fund classrooms, teachers, teaching and learning resources, IT, libraries, sports equipment and other core facilities and resources in schools (except where the cost may legitimately be part of a community-based education programme).
2. The Trust may make a contribution to facilities located at schools, where there is clear evidence of wider community need, accessibility and availability of the facility. Past examples have included playgrounds, gymnasiums, halls, performing arts centres and swimming pools which have been made permanently and affordably available to the wider community.
3. The Trust will consider applications from community-based organisations for programmes offered in schools.

The following questions will be considered when assessing such applications:

- a. Is the programme likely to improve significantly the educational or life outcomes for children and young people who might otherwise struggle?
- b. What evidence is there of successful outcomes?
- c. Is the programme sustainable beyond Trust Waikato funding?

Appendix B Guidelines for applications to support research

See also section 19.0 Research Projects.

- 1 The Trust may support research in line with its donation focuses and policies as set out above.
- 2 The Trust is keen to work as a funding partner with tertiary education providers to assist the research being undertaken by the staff and students of these institutions, where the research fulfils the criteria set out below.

If any of these institutions are undertaking research which they would like the Trust to consider then they should submit an application to the Trust as part of the Trust's donation process.

All staff applications from one institution should be compiled together by the Research Officer/Research Director of that institution and forwarded to the Trust.

An institution may apply for a lump sum to support student projects and then itself make the allocation to appropriate student projects, using the criteria set out below (see 20.2). The institution must report annually to the Trust on the allocations made. The institution will also be responsible for forwarding, to the Trust, an accountability report on all the projects funded.

- 3 The Trust will assess any such applications based on the criteria set out below. (It is also noted that the assessment of student research by Waikato University and the Waikato Institute of Technology should follow similar lines.)

As with the student research, the Trust would also expect to receive a one-page summary of the completed research, in electronic format, which can be included on the Trust's website.

Assessment Criteria for Research

The Trust may fund research where:

- a. the research directly involves, or may provide a benefit to, a group which itself is eligible to receive a Trust Waikato donation, and the research aims to:
 1. improve the effectiveness of the Trust's donations to that group, or
 2. improve that group's operations, or
 3. improve the lives of the beneficiaries of that group.
- b. In terms of individual research projects the Trust notes that the following matters will be given priority (see also section 4.0, Current Donation Focus):
 - Projects or programmes that contribute to community well being.
 - Projects or programmes which provide positive support for Maori and organisations working with whanau, hapu and iwi.
 - Projects that preserve our history and promote understanding of, and which respond to, the culturally diverse nature of our region.

- Projects or programmes which provide for people who have been denied a quality of life enjoyed by the majority.
- Projects or programmes which:
 - *Deal with the underlying causes of social problems.*
 - *Support families or protect children*
 - *Promote participation of young people in community activities*
 - *Operate in communities identified as having distinct needs because of their geographic location, size or population characteristics*
 - *Strengthen the capacity of community organisations*
- Not for profit groups which aim to support the community and community facilities through sustainable economic activity.

Appendix C **New Zealand wide applications**

See also section 21.0 New Zealand Wide Applications.

From time to time all New Zealand Community Trusts receive applications that have national benefit.

The following process has been agreed by all Trusts:

1. Before an application is promoted to other Trusts it must be within the policy and guidelines of the host Trust, or recommended by the Chairpersons Group for consideration.
2. If an application is considered worthy of national consideration the host Trust is to circulate:
 - a. a covering memo to the Chief Executives from the host Trust outlining the merits of the project,
 - b. a copy of the application on the application form of the host Trust
 - c. the applicant's annual accounts and taxation status, and
 - d. a pro-rata guideline based on the most recent comparative data of net assets of individual Trusts, unless otherwise agreed.
3. The host Trust will remain the point of contact and the financial controller throughout the project unless otherwise agreed.
4. Trust Waikato has determined that, where possible, New Zealand-wide applications will be considered at one of the donation rounds.
5. All Trusts are to advise the host Trust of their decision.
6. The host Trust should not be obligated to fully fund the shortfall, but would be expected to contribute their pro-rata amount as a minimum.
7. If there is a lack of collective support the host Trust is able to decline the application.
8. Once all Trusts have reported their decision the host Trust will invoice each supporting Trust for the amount approved, payable to the host Trust.
9. A mandatory audit of the donation is the responsibility of the host Trust and should be advised to the participating Trusts once completed.

Appendix D **Guidelines for preserving art and taonga of significance to the region**

1. The Trust wishes to contribute to the preservation of art and taonga significant to the Trust's region.
2. Donating towards future artwork purchases for the Collection will contribute to the Trust's strategic priority to 'facilitate preserving art and taonga special to the region'. In particular the Trust acknowledges that:
 - a. Art and taonga are important symbols of who we are and where we have come from. They help us define our regional and ethnic identities.
 - b. The region's art and taonga signify that this area is rich in cultural and artistic heritage.
 - c. Donating towards the purchase of significant historical art and taonga ensures it stays in, or is returned to, the region.
3. The Trust recognises that there are other ways of preserving our heritage and it is open to such opportunities. Purchasing the heritage-listed Trust House is one example. The grounds, known as Trust Garden, host some sculptures, including *Holidays in Huntly* brick caravan, and a number of protected trees. Trust Garden is open to the public to enjoy.