

GIFT ADMINISTRATION POLICY 2012

The Vice-Chancellor and Principal, as delegate of the Senate of the University of Sydney, adopts the following policy.

Dated: 24 January 2012

Last amended: 19 June 2017 (administrative amendments only)

Signature:

Name: Dr Michael Spence

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1 Name of policy

This is the Gift Administration Policy 2012.

2 Commencement

This policy commences on 1 February 2012.

3 Policy is binding

Except to the extent that a contrary intention is expressed, this policy binds the University, staff, students and affiliates.

4 Statement of intent

This policy:

- (a) facilitates compliant and responsible acquittal of the University's obligations as trustee and custodian of gifts;
- (b) ensures that, consistently with applicable trust conditions, all gifts are used to the University's best advantage and in a manner which maintains the good will and confidence of past and present donors;
- (c) allocates responsibility and accountability for gift administration;
- (d) supports co-operation and communication between relevant units of the University; and
- (e) facilitates decision-making in relation to the administration of gifts.

5 Application

- (1) This policy applies to:
 - (a) staff, students and affiliates of the University; and
 - (b) all gifts held by the University.

- (2) This policy does not apply to:
 - (a) sponsorships;
 - (b) non-philanthropic grants; or
 - (c) scholarships and prizes funded by non-gift monies.

- (3) This policy covers the administration of a gift after the University receives it or a transfer of title to it. Dealings with gifts or potential gifts up to and including this point are addressed by the [Gift Acceptance Policy](#).

6 Definitions

bequest	means a gift of real or personal property made by will.
Delegations	means the University of Sydney (Delegations of Authority - Administrative Functions) Rule 2016 , as amended or replaced from time to time.
delegate	means an individual, or body, granted certain authority to act on behalf of the University under the Delegations.
donation	means a gift of real or personal property made during a donor's lifetime.
donor	means a person, body corporate or other organisation that has made a gift.

Donor Charter	means the statement of the University's commitments to donors, which is set out in Schedule 1.
FAC	means the Finance and Audit Committee of Senate.
financial gift	includes any gift of cash, cheque or credit card donation received unsolicited or as a result of direct solicitation. It includes the proceeds of sale or conversion of a gift received in kind.
foundation	means an organisation within the University which has no separate legal status and is established by the Chancellor in accordance with the Delegations.
gift	means any grant or transfer of property to the University where there is: <ul style="list-style-type: none"> (a) on the part of the donor an intention to give (which is evidenced either in writing or through another act); (b) a transfer of all right, title and interest in the property to the University; and (c) no material benefit received by the donor in return for making the gift.
Gift Administration Board	means the board established by clause 8.
gift administration officer	means, in relation to each gift, the person referred to in clause 9.
gift purpose	means the purpose for which a gift can be applied.
Gift Register	means the electronic register containing details of the terms and conditions of the University's gifts established by clause 12.
non-financial gift	means a gift of real or personal property other than a gift of cash or its equivalent and may include either gifts which must be maintained in their original form or which can be sold or otherwise converted.
material benefit	there is material benefit if, in return for a donor's contribution, the University is obliged to provide a substantial financial advantage or benefit to the donor or a nominee.
recipient area	means the faculty or area that is entitled to expend the capital and /or income of a financial gift, or to possession or use of a non-financial gift.
trust conditions	means the conditions for the administration of a gift, specified by the donor or by law, and which are legally binding on the University.
Trusts Office	means the unit referred to in clause 10.

- UE** means the University Executive, which as at the date of this Policy comprises the Vice-Chancellor, the Provost and Deputy Vice-Chancellor, Deputy Vice-Chancellors, the Chair of the Academic Board, Vice-Principals, and Deans,.
- University conditions** means University developed conditions for the administration of a gift adopted as provided by clause 11(5).

7 Authority and responsibility to administer gifts

- (1) Senate has the authority and responsibility to administer gifts, except to the extent that the contrary is specified by the applicable trust conditions.
- (2) Senate has delegated its authority to administer gifts as provided in the Delegations, to the extent permitted by the trust conditions of each gift.

8 Gift Administration Board

- (1) There will be a Gift Administration Board, membership of which comprises:
 - (a) the Provost and Deputy Vice-Chancellor, who will be the chair;
 - (b) the General Counsel;
 - (c) the Chief Financial Officer or nominee;
 - (d) the Director of Development; and
 - (e) a dean, appointed by the Provost on a two-year rotational basis.
- (2) The Gift Administration Board will meet as necessary but not less than twice per year.
- (3) The Gift Administration Board is responsible for:
 - (a) overseeing the University's administration of gifts to ensure that, consistently with the applicable trust conditions, gifts are used to the best advantage of the University;
 - (b) monitoring the effectiveness of the system of gift administration;
 - (c) satisfying itself that all operational decisions and implementation measures necessary to ensure that the University satisfies its duties and obligations as trustee or custodian are taken;
 - (d) approving business processes for gift administration;
 - (e) satisfying itself that the trust conditions and University conditions attaching to a gift are adequate to ensure its effective and compliant application and, where necessary, recommending such further or alternative University conditions as it considers necessary;
 - (f) approving the annual gift administration program referred to in Clause 11(6) and implementing measures as necessary to ensure its effective operation;
 - (g) approving proposals for remediation or rationalisation of gifts; and
 - (h) consulting with, and directing, gift administration officers as necessary.
 - (i) reporting annually to the Senate, UE and UE Financial Performance Committee in accordance with Clause 14, on the outcomes of the gift

administration program referred to in Clause 11(6) and on the extent to which the University complies with its trustee and gift administration obligations.

- (4) The Gift Administration Board may issue such binding directions for the administration of a gift as it considers necessary to prevent or remedy maladministration.

9 Gift administration officers

- (1) The gift administration officer for a gift is the delegate responsible for accepting gifts of that kind and value and establishing the terms of its management under the Delegations. This clause applies to gifts accepted before and after the commencement of this policy.
- (2) In relation to financial gifts, the gift administration officer will:
 - (a) determine, subject to compliance with trust conditions and University conditions, the end use and recipient area for a gift;
 - (b) determine, subject to compliance with trust conditions and University conditions, annual expenditure of a gift;
 - (c) propose, and subject to confirmation by the Gift Administration Board under clause 8(3)(e), determine University conditions in relation to a gift.

Note: The gift administration officer will also consult as necessary with other units within the University, for example the Academic Board, in order to establish further terms and conditions for the award of scholarships and prizes required to provide completely for administration of such gifts in accordance with their trust conditions and University conditions.

- (3) In relation to non-financial gifts, the gift administration officer will:
 - (a) determine, subject to compliance with trust conditions and University conditions, the end use and recipient area for a gift;
 - (b) where trust conditions and University conditions permit, determine whether and, if so, when and how a gift is to be sold or otherwise converted;
 - (c) determine the curatorial, storage and maintenance requirements of a gift.

Note: The gift administration officer will also consult as necessary with other units within the University, for example the Academic Board, in order to establish further terms and conditions for the award of scholarship and prizes required to provide completely for administration of such gifts in accordance with their trust conditions and University conditions.

- (4) Consistently with the provisions of this policy, the Gift Administration Board may determine further detailed responsibilities of gift administration officers.

10 Trusts Office

- (1) The Trusts Office is part of the Office of General Counsel.
- (2) The principal responsibilities of the Trusts Office are to:
 - (a) provide advice about the requirements for gift acceptance and administration and, in particular, the applicable legal framework ;
 - (b) administer and maintain the Gift Register;

- (c) report to gift administration officers on trust conditions and University conditions applicable to a gift, and the amount available for spending;
 - (d) provide secretarial support to the Gift Administration Board;
 - (e) liaise about the administration of gifts as required by other units of the University, including Financial Services, the Development Office, Investment and Capital Management Office, Scholarships Office and foundations.
 - (f) implement the decisions of the Gift Administration Board; and
 - (g) coordinate administration of the University's gifts.
- (3) Consistently with this policy, the Provost and Deputy Vice-Chancellor, in consultation with the General Counsel, may determine further detailed responsibilities of the Trusts Office.

11 Gift administration principles

- (1) Gifts to the University must be administered in accordance with the following principles.
- (2) **Responsible and compliant administration**
- (a) Gifts will, as completely as possible, be administered efficiently, in accordance with the terms upon which they were given, University conditions subsequently made and the law, and with a view to maintaining the good will and confidence of donors.
 - (b) The University will administer gifts consistently with law and the Donor Charter.
- (3) **Preservation of capital and protected accounts**
- (a) Where the terms of a gift require preservation of capital, the capital will be preserved regardless of the value of the gift.
 - (b) Where:
 - (i) the capital value of a gift is over \$250,000; and
 - (ii) preservation of capital does not conflict with the trust conditions,the initial capital value of the gift will be preserved in perpetuity, unless or until the Gift Administration Board determines otherwise.
 - (c) In making a determination under sub-clause 3(b), the Gift Administration Board will have regard to
 - (i) any proposal by the gift administration officer for use of the gift; and
 - (ii) the strategic benefit to the University of preservation of the capital of the gift.
 - (d) Where a gift with an initial capital value of less than \$250,000, which is not subject to a trust condition requiring preservation, has been preserved in accordance with previous University policy, the Gift Administration Board may determine that the gift is no longer required to be preserved. Such a determination may include determining the timing and manner of releasing the funds.
 - (e) In making a determination under sub-clause 3(d), the Gift Administration Board will have regard to:

- (i) any proposal by the gift administration officer for the use of the gift; and
 - (ii) the strategic benefit to the University of releasing the funds.
- (4) **University interpretation of trust conditions**
 - (a) As soon as possible after acceptance of a gift, the Trusts Office will settle the University's interpretation of the applicable trust conditions.
 - (b) The University's interpretation of the trust conditions of each gift will be recorded in the Gift Register.
 - (c) The University's interpretation of the trust conditions as stated in the Gift Register will bind all staff and affiliates of the University.
- (5) **University conditions**
 - (a) If either:
 - (i) the trust conditions provide insufficient guidance to administer a gift; or
 - (ii) the University wishes to provide further for the administration of a gift;the gift administration officer, in consultation with the Gift Administration Board will determine University conditions which provide such guidance.
 - (b) University conditions must be:
 - (i) determined as soon as practicable after a gift is accepted;,
 - (ii) notified to, and recorded in, the Gift Register as soon as practicable after they are determined;
 - (iii) reviewed at least once every five years; and
 - (iv) consistent with, and subordinate to, the legal obligations attaching to the relevant trust.
 - (c) The University conditions of a gift as stated in the Gift Register will apply to the gift and bind all staff and affiliates of the University until revised or replaced.
 - (d) University conditions may be revised or replaced at any time, in accordance with this subclause.
- (6) **Gift administration program**
 - (a) The Gift Administration Board will determine and oversee the implementation of an annual gift administration program.
 - (b) The gift administration program will:
 - (i) consist of an indicative timetable of activities needed to administer the gift portfolio, including activities necessary for the curation, maintenance, storage and exhibition of non-financial gifts; and
 - (ii) detail the allocation of responsibility for undertaking those activities.
 - (c) Ad hoc administration steps will be taken, and reports generated, from time to time as required.

(7) **Rationalisation**

Where practicable, and in accordance with applicable trust conditions, gifts will be consolidated and rationalised to achieve administrative economies.

(8) **Remediation**

- (a) The Gift Administration Board will develop measures to monitor compliance with trust conditions.
- (b) If non-compliance is identified, the Trusts Office will obtain any necessary legal advice and recommend appropriate remediation measures to the Gift Administration Board.
- (c) The Gift Administration Board will take all appropriate steps to implement such advice.
- (d) Gifts which are unused for a period of two years without adequate explanation by the gift administration officer will be considered dormant and will be subject to such remediation measures as the Gift Administration Board considers appropriate.

Note: Serious maladministration and similar matters are addressed by the University's [Reporting Wrongdoing Policy 2012](#)

12 Gift Register

- (1) The General Counsel will establish and maintain a register of the University's gifts.
- (2) The register will record the following information for each gift:
 - (a) the nature and value of the gift;
 - (b) where appropriate, the identity of the donor;
 - (c) the gift administration officer;
 - (d) the trust conditions and University conditions;
 - (e) an appropriate record and / or account number;
 - (f) in the case of non-financial gifts, the location of the gift; and
 - (g) any other information considered by the General Counsel to be appropriate.

13 Other roles and responsibilities relating to gift administration

- (1) The roles and responsibilities of units and officers of the University which are referred to in this clause are subject to the overall supervision and direction of the Gift Administration Board.

(2) **Financial Services**

The Chief Financial Officer will establish appropriate financial arrangements to implement this policy, including:

- (a) determining the amount available for spending for capital preserved trusts and protected accounts;
- (b) maintaining a subset of accounts specifically for the administration of gift funds and ensuring that:
 - (i) there is an auditable trail of activity in relation to the use of gift funds;

- (ii) gift accounts are solely used to administer gift funds;
 - (iii) gifts are administered solely using gift accounts; and
 - (iv) appropriate account numbers are used for gifts.
- (c) providing information on gift accounts to the Trusts Office as necessary;
and
- (d) developing reporting needed to:
- (i) support administrative activity and decision-making by those responsible for administering trusts; and
 - (ii) determine whether the University is properly acquitting its obligations.

(3) Investments and Capital Management Office

The Investments and Capital Management Office is responsible for complying with investment related obligations attaching to gifts.

(3) Development Office

- (a) The Development Office is responsible for:
 - (i) ensuring that all relevant information relating to gift administration is appropriately conveyed to donors and related stakeholders;
 - (ii) acting as principal point of contact for maintaining the donor community's confidence in, and good will towards, the University in relation to the administration of gifts.
- (b) Advancement Services is responsible for:
 - (i) receiving, processing, banking and receipting donation and bequest monies; and
 - (ii) maintaining an electronic register of donation and bequest monies received; and
 - (iii) maintaining an electronic register of pledged funds.
- (c) The Bequest Office is responsible for managing bequests and corresponding with executors.

(4) Foundations

Foundations are responsible for making recommendations to the relevant University officer about the application of gifts sourced by that foundation.

(5) Scholarships Office

The Scholarships Office is responsible for:

- (a) advising on policy for student financial support;
- (b) assisting in drafting the terms and conditions of scholarships and prizes;
- (c) administering scholarships and prizes once awarded.

(6) **The Office of General Counsel**

The Office of General Counsel will provide legal advice about the University's obligations in accepting and administering gifts.

14 Reporting

The Gift Administration Board will prepare an annual report for the Senate and UE detailing the extent to which the University complies with its trustee and gift administration obligations.

15 Procedures and determinations

- (1) The following existing procedures apply to the administration of gifts under this policy:
 - (a) [Capital Preserved Trust Procedures](#)
- (2) The Provost and Deputy Vice-Chancellor may determine further procedures for the implementation of this policy.
- (3) Any determination made under this policy must be made in writing.

16 Repeal of Bequest Administration Policy 2010

The Bequest Administration Policy 2010 is repealed, effective from the date of commencement of this policy.

SCHEDULE

DONOR CHARTER

The University of Sydney has a long and distinguished history of support from benefactors who share our belief in the importance of excellence in research and teaching. Our future success increasingly depends on the generosity of alumni and friends to help us achieve our goals, and we are committed to developing a relationship of mutual trust and respect with all our donors.

The University of Sydney's commitments

To use gifts in accordance with the intentions of the donor

The University will ensure that all gifts are administered consistently with the letter and spirit of the law and are used in accordance with the donors' intentions. Undesignated donations will be used to support the University's academic priorities.

To pursue truth and excellence in research and education

The University reserves the right to decline gifts where acceptance would compromise our fundamental principles, including that of academic freedom.

To acknowledge all donations

All donors will receive an official University of Sydney receipt, and appropriate acknowledgement, recognition and publicity.

To respect the privacy of donors

The University will respect the privacy of donors. The University will provide anonymity for donors who request it. Donor information will be used by the University to maintain contact with donors and keep donors up-to-date with information about the University, its services, events and achievements. It may be passed to groups affiliated with the University, such as alumni organisations and foundations. Donors' names may be published in the annual honour roll.

To be transparent and informative

Representatives of the University will at all times identify themselves as such when they contact current or potential donors. Once a donation has been made, the University will provide benefactors with regular reports about the way gifts have contributed to our success. It will also make available on request the University's most recently published financial statements.

Enquiries

The University of Sydney welcomes enquiries regarding this charter or any related issues. Please contact:

The Development Office

Phone: +61 8267 8830

NOTES

Gift Administration Policy 2012

Date adopted:	24 January 2012
Date registered:	
Date amended:	5 December 2016 (administrative amendments) 19 June 2017 (administrative amendments only)
Date commenced:	1 February 2012
Administrator:	Provost and Deputy Vice-Chancellor
Review date:	1 February 2017
Related documents:	<i>University of Sydney Act, 1989 (as amended)</i> <i>Charitable Trusts Act 1993</i> <i>Trustee Act 1925</i> <i>Dormant Funds Act 1942</i> Gift Acceptance Policy Gift Acceptance Procedures Capital Preserved Trust Procedures

AMENDMENT HISTORY

Provision	Amendment	Commencing
6; 8(3)(h); 14	References to Senior Executive Group (SEG) changed to University Executive (UE)	5 December 2016
8(3)(h)	References to Senior Executive Group (SEG) Financial and Infrastructure Committee (FIC) changed to University Executive (UE) Financial Performance Committee (FP)	5 December 2016
10(2)(e); 13(5)	References to Scholarships and Prizes Office changed to Scholarships Office	5 December 2016
6	Updated reference to University of Sydney (Delegations of Authority – Administrative Functions) Rule 2016	19 June 2017