



Starting a Sub-Fund with Sydney Community Foundation

Thank you for choosing to start a sub-fund with Sydney Community Foundation (SCF).

An individual, organisation, family, group of friends, work colleagues, or giving circle, can establish a charitable sub-fund/ seed fund / Impact 100 sub-fund with SCF. All donations over \$2 made to an SCF sub-fund are tax-deductible.

Once the initial donation to establish the fund is made, donors can make donations at any time, contribute assets, (including through bequests), and can request SCF trustees to make grants, subject to the SCF grant making policy.

SCF can grant to charities that have deductible gift recipient 1 status under the Australian Taxation Office, locally in NSW. SCF completes due diligence on all grant recipients and handles all reporting, compliance and other administrative matters related to the fund.

Please read and complete Parts A and B to request the establishment of a charitable sub-fund.

These forms provide and seek information that will assist SCF establish, operate and manage a sub-fund in accordance with your vision and preferences and the constitution and policies of SCF.

Part A, of this document is the formal application to start a sub-fund with SCF and is to be read, completed and signed by the sub-fund donor/s, or founding members of a giving circle. This document outlines the operation of a sub-fund and its terms and conditions. The SCF Fees Policy is included in this document.

Part B, The vision and aims of the sub-fund, is the sub-fund profile. It is designed to help you and SCF think about setting the vision and planning the charitable giving and goals for the fund.



PART A

Sydney Community Foundation Sub-Fund Establishment Form

TYPES OF SCF SUB-FUNDS

Sub-Funds

Sub-funds can be established as either endowment, or immediate impact. An initial donation of \$20,000 is required to establish a sub-fund. It is expected that endowment sub-funds will reach a balance of \$50,000 within 5 years. Please note that immediate impact sub-funds must retain a balance of \$2000 in order to remain active. Immediate impact sub-funds can be established with the intention of granting out the entire corpus over a specific period.

Seed Funds

Seed-funds can be established as either endowment or immediate impact and with an initial donation of just \$2,000. Each year a seed-fund must receive donations of \$2,000 minimum.

Granting of \$500 minimum, can be made from a seed fund, however a minimum balance of \$1,000 must be maintained.

Collective Giving Sub-funds

Collective Giving sub-funds pool donations from many individuals with the aim of making a single large grant annually. For example, Impact 100 sub-funds encourage a community of 100 donors to give \$1000 a year enabling a \$100,000 gift to community.

Further information

- Sub-fund fees will cover the cost of SCF administration and are outlined in a separate document 'Sydney Community Foundation Fees Policy'.
- Sub-Fund can be established under Sydney Community to build stronger local communities or Sydney Women's Fund to assist women in our community.
- All Sydney Community Foundation sub-funds can fundraise in NSW using Sydney Community Foundation's fundraising licence.

I/WE REQUEST A SUB-FUND BE ESTABLISHED WITH SYDNEY COMMUNITY FOUNDATION

Type of fund requested

- Sub-fund of Sydney Community Foundation**
 - Endowment Fund (\$20,000 deposit, \$50,000 within 5 Years)
 - Immediate Impact Fund (\$20,000 deposit, \$50,000 within 5 Years)
 - Seed Fund (\$2,000)
 - Impact 100 Sub-Fund (\$100,000 in 12-months)

- Sub-fund of Sydney Women’s Fund**
 - Endowment Fund (\$20,000 deposit, \$50,000 within 5 Years)
 - Immediate Impact Fund (\$20,000 deposit, \$50,000 within 5 Years)
 - Seed Fund (\$2,000)
 - Impact 100 Sub-Fund (\$100,000 in 12-months)

THE DONOR PROPOSES TO MAKE UNCONDITIONAL GIFTS TO SYDNEY COMMUNITY FOUNDATION

Funds will be deposited into the Sydney Community Foundation Tax Deductible Fund (ABN 77 528 860 176).

FOUNDING DONATION

- Cheque made payable to Sydney Community Foundation \$

- BPAY/EFT/Online Donation/ Credit Card \$
SCF Tax Deductible Fund
BSB: 062 000
Account no : 145435969

- Transfer of shares and or property (share/property transfer form will be provided on request) \$

- Total gift** \$

NAME OF SUB-FUND / SEED FUND / Impact 100 Sub-Fund

Fund name: _____

The Sub-fund can be named after yourself, your family, a loved one, a company, or for a relevant cause or issue, or after something meaningful to you. Your Sub-fund may also be a fund where a bequest can be made at inception or at a later time. *The Australian Taxation Office (ATO) does not allow the use of the words 'foundation' or 'trust' to be used in the name of Sub-funds / Seed-funds / Impact 100 Sub-funds as this suggests a separate entity or fund. But they may be called the John Smith Fund.*

THE DONOR/S AGREE TO THE FOLLOWING:

- a) The gifts form part of the Trust Fund of Sydney Community Foundation and do not form a separate Fund.
- b) The Trustee may change the name of the sub-fund if it is required under law or recommended by the ATO and will consider any request from the donor as to a change in name at any time.
- c) The assets will not be invested separately from the Trust Fund.
- d) The assets will not be separately accounted for in the statutory financial statements of Sydney Community Foundation, separate management accounts in respect of the assets will be maintained for the purposes of internal management and identification.
- e) The Trustee will provide an annual report of the investments and grants attributed to the Sub-fund / Seed-Fund / Impact 100 Sub-fund to the donor, however, are not under an obligation to do so.
- f) The Trustee may at any time cease to maintain a Sub-fund / Seed-fund / Impact 100 Sub-Fund and account for the money and investments in the general accounts for the Trust Fund.
- g) The Trustee is required to distribute a minimum of 4% of the capital held in the Trust Fund annually, based on the market value of the net assets of the previous financial year.
- h) The Donor will not undertake fundraising activities for the sub-fund without written authorisation from Sydney Community Foundation.
- i) The Donor will advise Sydney Community Foundation of times and dates of fundraising events.
- j) The Donor will clearly state in all marketing and communications material that the sub-fund is a sub-fund of Sydney Community Foundation; and include Sydney Community Foundation's logo on all published material of the Sub-fund/ Seed-fund / Impact 100 Sub-Fund, including websites and social media.
- k) The donor/s understands that in making grant requests or indicating preferences as to grant making, the Sydney Community Foundation trustee is the decision-making body for all grants.
- l) The donor/s accepts Sydney Community Foundation fees as outlined in the Sydney Community Foundation Fees Policy.

FOUNDING DONOR SIGNATURE/S

Donor Name: _____

Date: _____

Signature: _____

Donor Name: _____

Date: _____

Signature: _____

DONOR CONTACT INFORMATION

One or more individual donors, family, friends or a giving circle, or a business, may apply to establish a Sub-fund.

The people named below will serve as the official Sub-fund contact(s), which means they will be able to submit grant requests for approval by the SCF board.

They will receive all correspondence related to the sub-fund, along with other Foundation materials. Contact information will not be shared outside Sydney Community Foundation, unless agreed by donors.

1. SUB-FUND /SEED-FUND / IMPACT 100 SUB-FUND CONTACT

DONOR 1.

Mr Ms Mrs Other

Organisation name (if appropriate)

Address

Home telephone

Work telephone

Mobile

Email

2. SUB-FUND / SEED-FUND / IMPACT 100 SUB-FUND CONTACT

DONOR 2

Mr Ms Mrs Other

Organisation name (if appropriate)

Address

Home telephone

Work telephone

Mobile

Email



PART B

The vision and aims of the sub-fund

The following information will help Sydney Community Foundation work with you to develop and implement your giving. It will be used as a basis for regular donor reviews, is not binding and can be updated at any time. It may be used for Marketing purposes including the SCF Annual Report.

An example of a 'vision statement' for a sub-fund: "To provide education and opportunity for children experiencing disadvantage combat children's disadvantage". You may include any specific organisations you are interested in supporting.

Vision Statement:

DONOR GRANTMAKING INTERESTS

1. Please tick one or more below.

Cause area of interest

Arts & culture

Community development & advocacy

Community services and wellbeing

Disability

Education, training & employment

Environment & conservation

Health & medical research

Other

Beneficiaries

Children/young people

Indigenous

Older people

Refugee & Asylum Seeker

Women & girls

Other

PLEASE LIST ANY CHARITABLE DGR 1 ORGANISATIONS TO WHICH YOU REQUEST ANNUAL GRANTS TO BE MADE BY SYDNEY COMMUNITY FOUNDATION

ORGANISATION:	\$

MARKETING PROMOTION & FUNDRAISING

Sydney Community Foundation includes information about sub-funds in its newsletters and publications and on its website. Please indicate any preferences below.

- I would like Sydney Community Foundation to include a sub-fund profile on the website and in print and online publications.
- I am willing to be interviewed for media stories.

How might you build the sub-fund over time

- Annual Tax-Deductible donations
- Include an SCF bequest in your will
- Gift of proceeds on sale of an asset
- Gift of a property, shares or other asset
- Collect contributions from family, colleagues and friends
- As a result of broader community fundraising efforts

SUCCESSION

There are a number of ways a sub-fund continues to give once you are no longer involved (for example, after death, through incapacity or upon resignation as sub-fund contact). Some donors request that Sydney Community Foundation continues to make grants in line with the founding donor's interests and preferences. Others see it as an opportunity to help successive generations learn about and become involved in charitable giving. Please indicate your preference.

- I have no plans or preferences at this stage.
- I request that Sydney Community Foundation continues to grant from the sub-fund in line with my vision statement.



PART C

Sydney Community Foundation Fees Policy

This document outlines Sydney Community Foundation's (SCF) policy on fees.

There are several services provided by Sydney Community Foundation to donors in exchange for these fees:

- Sub-fund establishment and ongoing management.
- Compliance with Australian Taxation Office, Australian Charities and Non-profit Commission (ACNC), State Government Authorities and ASIC.
- Grant-making and due diligence services.

SUB-FUNDS

Endowment Sub-funds

Endowment sub funds are funds established to continue in perpetuity and grow so that granting can be made from interest earned.

Endowment Sub-Funds Fee Scale

FUND BALANCE	FEE
\$20k - \$500k	2%
\$500k - \$1 mil	1.8%
\$1m - \$5m	By Negotiation
\$5m plus	By negotiation

Immediate Impact Sub-Funds

Immediate Impact sub-funds are funds that are established for the purpose of granting out the maximum amount from the fund. A minimum balance of \$2000 is required to keep the fund active.

Immediate Impact Sub-Fund Fee Scale

FUND BALANCE	FEE
\$20k - \$500K	10% of the grant made is charged at the time of granting.
\$500k - \$1 Million	5% of the grant made is charged at the time of granting.
\$1m +	5% of the grant made is charged at the time of granting.
\$1 - 5m plus	Fees negotiated at the time of establishment

Seed Funds

Seed funds are funds established to grow over time. They can be either endowment or immediate impact funds.

- Seed Funds must be established with a minimum of \$2000.
- Seed funds must always maintain a balance of \$1,000.
- The minimum grant amount is \$500.
- Endowment seed funds pay 1% of the balance of the fund per annum until they reach \$20,000.
- The aim of seeds funds is to commit to a donation of at least \$2,000 per year, until the amount of \$20,000 is reached.

Seed Funds Fee Scale

FUND BALANCE	FEE
\$2,000 - \$20,000	10% of the grant made is charged at the time of granting.

COLLECTIVE GIVING SUB-FUNDS, e.g. (IMPACT 100)

Collective Giving sub-funds are a type of Immediate Impact Sub-Fund. The fund has multiple donors who give a set amount each a year as part of a specific giving program. The Sydney Community Foundation will negotiate a fee at the time of establishment of the fund. This fee will cover the cost of SCF administration and will be charged at the time of granting.

KEY INFORMATION FOR SUB FUND HOLDERS

Sydney Community Foundation Limited is Trustee for three funds

The Sydney Community Foundation Fund is a tax-deductible Trust Fund. The fund makes grants to charitable organisations endorsed by the ATO as having TCC (Tax Concession Charity) and item 1 DGR (Deductible Gift Recipient) status.

The Sydney Community Foundation General Fund is a non-tax-deductible charitable Trust Fund. It can make grants for charitable purposes to organisations and to individuals; the essential characteristic being that it is charitable at law and of recognised benefit to the community. It can receive gifts of cash, shares and property and other equities.

Sydney Women's Fund is a sub-fund of Sydney Community Foundation under which additional gender related sub-funds can be established.

INVESTMENT APPROACH

All decisions relating to Sydney Community Foundations' investment of the Trust Funds are the legal responsibility of the Trustee, through the SCF Board. Investment matters are dealt with by the Board's Finance, Risk and Investment Committee, which is responsible for the design and execution of the asset allocation strategy and investment activities.

The Board aims to manage all funds prudently, in accordance with sound investment principles, so as to optimise the return generated on funds invested, while maintaining a prudent investment risk profile. The investment strategy for endowment funds is to seek long term capital appreciation.

FEES

The detail of Sydney Community Foundation fees is outlined in the Sydney Community Foundation Fees Policy above. Please review this document prior to signing the fields below, that you have read, noted and accepted the Sydney Community Foundation Fees Policy.