Advancement Policy (MPF1133)

1. Objective
The objectives of this policy are to provide for:

(a) gift acceptance;
(b) fundraising conduct and principles;
(c) the use of University and other types of funds to match philanthropic income; and
(d) donor stewardship.

2. Scope
This policy applies across the University.

3. Authority
This policy is made under the University of Melbourne Act 2009 (Vic) and the Council Regulation and supports compliance with the:

(a) Charter of Human Rights and Responsibilities Act 2006 (Vic);
(b) Health Records Act 2001 (Vic);
(c) Privacy and Data Protection Act 2014 (Vic); and
(d) University of Melbourne Act 2009 (Vic).

4. Policy
4.1. Donations, gifts and philanthropic income are a legitimate, sustained and important component of the University’s income.

4.2. The University accepts only gifts that are consistent with the University’s established academic priorities and does not accept gifts when a condition of such acceptance may compromise its integrity, autonomy and commitment to academic freedom, as detailed in the procedural principles of this policy. The University does not accept donations for purposes that are inconsistent with the objects of the University (according to the University of Melbourne Act 2009).

4.3. The University commits to:

(a) being transparent, informative and professional when soliciting donors;

(b) respecting donors’ privacy including not selling or exchanging the personal details of donors and to having protocols for dealing with donor requests for anonymity (for specific gifts), or complete anonymity and confidentiality;

(c) using gifts effectively and ethically in line with donor wishes; and
(d) acknowledging and recognising donors and celebrating philanthropy, as detailed in the University Council approved [Donor Charter](#).

4.4. Donors cannot direct the University to give, nor can the University give, undue consideration to the donor, or anyone they designate, in the use of their gift. Choices about curriculum and assessment, appointments to academic positions, selection of students, the design of research and the awarding of scholarships are academics decisions and remain under University control. Similarly, decisions concerning infrastructure projects or property and asset management (including gifts in kind) remain under University control (as detailed in the University Council approved [Donations Framework](#)).

4.5. The University may, for strategic fundraising purposes, use its own or other funds to match philanthropic funding, provided it does not compromise the University’s financial sustainability in the short or long term.

4.6. The University affords donors due respect by ethically researching appropriate prospective donors. It acknowledges, receipts, recognises and reports to donors and protects the information gathered on donors and prospective donors.

5. Procedural principles

5.1. The Vice-President (Advancement), coordinates and manages fundraising, gift receipt and allocation, and donor stewardship.

5.2. Together the [Donor Charter](#) and [Donations Framework](#) represent the guiding principles upon which the University conducts its fundraising solicitations, gift implementation and donor stewardship activities.

**Gift acceptance**

5.3. Philanthropic funding is accepted from a wide variety of public and private sector sources who are willing to support the University in accomplishing its mission.

5.4. The Vice-President (Advancement) must take all reasonable steps to ensure that the University is aware of the source of funding for each gift.

5.5. In accordance with its [terms of reference](#), the University of Melbourne Foundation and Trusts Committee reviews and decides whether a gift will be accepted when referred from the Vice-President (Advancement) or the Vice-Chancellor. This committee also reviews any concerns raised about an existing gift and decides whether to return the gift to the donor (where possible at law).

5.6. Gifts are not accepted that may:

(a) contravene state and/or federal laws in Australia;

(b) create unacceptable conflicts of interest;

(c) expose the University to undue adverse publicity or reputational risk;

(d) cause any other damage, including financial damage, deterring other donors to the University; or

(e) conflict with the values and aims of the University in any other way.
5.7. When a donor makes a philanthropic gift they must transfer absolute control of the gift to the University. Guidance to assist both potential donors and University staff in understanding the appropriate ongoing involvement of, and relationships with, donors is detailed in the Donations Framework.

5.8. Many donors wish to designate a purpose for a gift and for the gift to be used expressly for that purpose. If the donation is to establish an endowment for an ongoing purpose, that purpose should be defined as broadly as possible, to prevent subsequent failure of the trust, or difficulty in performing the trust terms, should circumstances change.

5.9. Undesignated gifts not subject to specific trust terms may be used to advance the University’s mission and academic priorities as determined by the Vice-Chancellor on the recommendation of the Vice-President (Advancement).

5.10. So far as possible, and subject to the terms of bequests, perpetual trusts are only created for donations of $50,000 or more so that sufficient income is generated each year for the trust purpose.

5.11. Naming proposals are determined in accordance with the University Naming Policy and relevant trust terms.

5.12. A donor may choose to be anonymous but the terms and conditions governing the use of a donation that creates an endowment are a matter of public record.

**Fundraising conduct and principles**

5.13. Employees, volunteers and hired fundraisers who solicit or receive funds on behalf of the University must adhere to the commitments made to donors in the Donor Charter:

(a) act with fairness, integrity and in accordance with all relevant laws;

(b) adhere to the provisions of applicable professional codes of ethics and standards of practice;

(c) disclose immediately to the Vice-President (Advancement) any actual or apparent conflict of interest; and

(d) ensure that no inappropriate benefit is secured in return for a gift.

5.14. Volunteers and hired fundraisers must adhere to this policy and related procedures.

5.15. Paid fundraisers, whether employees or consultants, are compensated by a salary, retainer or fee, but not by a finders’ fee or commission based on the number of gifts received or the value of funds raised.

5.16. All relevant laws, including financial regulations are complied with, on the acceptance, solicitation and use of donations for the country in which fundraising activity is taking place.

**Matching philanthropic income**

5.17. The provision of matched funding must not compromise the University’s operating cash reserves, the discretionary investment income on those cash reserves, or University and divisional financial performance targets.
5.18. Operating activities are not cross-subsidised from investment income except as provided in this policy.

5.19. Philanthropic income may be matched by the University if the matched funding could act as leverage in attracting philanthropic support.

5.20. The matching of philanthropic income must be accommodated in the relevant division’s approved budget.

5.21. The types of philanthropic income eligible for matched funding are:

(a) cash gifts, which may or may not form the capital of endowments;

(b) pledged amounts to be paid over a period of time, with the matched component provided in parallel with pledge instalments;

(c) trust income; and

(d) ongoing augmentation of trust income.

5.22. Gifts in kind are not eligible for matched funding.

**Prospective donor research, data protection and donor privacy**

5.23. The University Privacy Policy applies to handling personal information of donors and, upon request, the University Privacy Officer must advise on privacy matters related to donors and prospective donors.

5.24. When conducting prospective donor research, the Vice-President (Advancement) must ensure that Advancement staff:

(a) have a clear understanding of what information is fair and relevant for that purpose;

(b) use only ethical methods to obtain prospect research information;

(c) avoid personal prejudice and bias;

(d) are honest and transparent about its purpose and identity when seeking information;

(e) take into account the reliability of the sources of information used; and

(f) ensure that research when presented is as accurate as possible, relevant to its purpose, and timely.

5.25. The Vice-President (Advancement) must ensure Advancement staff deal appropriately with information gathered and held on alumni, other individuals and organisations.

5.26. When using external agencies or when data may be shared with a third party, for example mailing houses, the Vice-President (Advancement) must ensure that Advancement staff confirm that:

(a) all issues, such as data ownership, fitness for use and confidentiality, are governed by a legally binding contract; and
(b) the University’s standard One-way Confidentiality Agreement is signed by the receiving party, detailing obligations such as limiting access to the confidential information on a need-to-know basis, and returning any confidential information to the University at any time upon the University’s written request.

**Donor stewardship**

5.27. The University adheres to certain commitments to donors including:

(a) to be transparent, informative and professional;

(b) to respect the privacy of donors;

(c) to use gifts effectively and ethically in line with donor wishes; and

(d) to acknowledge and recognise donors and celebrate philanthropy.

The [Donor Charter](#) details the University’s commitment to these principles.

5.28. Every gift or pledge made to the University is acknowledged in a timely manner consistent with the size and designation of the gift or pledge, and with the donor’s wishes.

5.29. Receipts for all philanthropic gifts to the University, or part of the University are issued.

5.30. Annual reports are provided to donors on the financial management, expenditure and impact of endowed and significant gifts.

### 6. Roles and responsibilities

<table>
<thead>
<tr>
<th>Role/Decision/Action</th>
<th>Responsibility</th>
<th>Conditions and limitations</th>
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<tbody>
<tr>
<td>Coordinate and manage fundraising, gift receipt and allocation, and donor stewardship</td>
<td>Vice-President (Advancement), or person authorised by the Vice-President (Advancement)</td>
<td>In accordance with this policy and <a href="#">supporting processes</a></td>
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<th>Role/Decision/Action</th>
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<tr>
<td>Determine the use for undesignated gifts not subject to specific trust terms</td>
<td>Vice-Chancellor</td>
<td>Provided such use is to advance the University’s mission and academic priorities and is determined on the recommendation of the Vice-President (Advancement)</td>
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<td>Review and decide whether a gift will be accepted (when referred from the Vice-President (Advancement) or the Vice-Chancellor). Also review any concerns raised about an existing gift and decide whether to return the gift to the donor (where possible at law).</td>
<td>The University of Melbourne Foundation and Trusts Committee</td>
<td>In accordance with this policy and <a href="#">supporting processes</a></td>
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<tr>
<td>Advise Vice-President (Advancement) on legalities of data collection and retention</td>
<td>University Privacy Officer</td>
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### 7. Definitions

**Division** means a faculty, graduate school, or central division.
**Donation** has same meaning as **Gift**.

**Donor Charter** means the University Council approved (Meeting 5/2018 on 5 December 2018) charter which sets out the University’s commitment to donors in the areas of transparency, provision of information, professionalism, privacy, use of gifts, acknowledgment and recognition.

**Donations Framework** means the University Council approved (Meeting 5/2018 on 5 December 2018) framework which provides guidance to assist both potential donors and University staff understand the boundaries for appropriate ongoing involvement of, and relationships with, donors.

**Gift** means a transfer of property which is made voluntarily as an act of benefaction on the part of the donor, who does not receive any material benefit or advantage as a consequence of the gift. A gift to the University must be only for an object of the University, as set out in section 5 of the *University of Melbourne Act 2009* (Vic). A gift may be made during the lifetime of the donor (an 'inter vivos gift') or after the death of the donor (a 'bequest'). A gift may take many forms, including cash, property, objects, works of art, shares, library or archive materials. The terms of the gift determine whether the University holds the gift as trustee or otherwise absolutely.

**Matching income** means University income used to match philanthropic income, which is equal to or less than the amount being matched.

**Philanthropic income** means funds received by way of philanthropy or trust income.

**Trust income** means income distributions from the investment earnings on the capital of trust projects which is to be applied as income towards the relevant trust purpose.

**Trust terms** means those terms prescribed by the donor in the relevant instrument as being the purpose and conditions of the trust and accepted by the University as trustee on that basis.

**Undue consideration** means the provision of certain benefits or advantages to the donor, such as enrolment in a University program, or to any party to a University procurement contract or to an employee of the University.

**University operating cash reserves** means retained earnings of the University built up each year as a surplus to the operating requirements of the University.

**POLICY APPROVER**

Council

**POLICY STEWARD**

Vice-President (Advancement)

**REVIEW**

This policy is to be reviewed by 16 March 2021.

**VERSION HISTORY**

<table>
<thead>
<tr>
<th>Version</th>
<th>Approved By</th>
<th>Approval Date</th>
<th>Effective Date</th>
<th>Sections Modified</th>
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<td></td>
<td>Body</td>
<td>Date and Year</td>
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<td>Council</td>
<td>7 October 2013</td>
<td>7 October 2013</td>
<td>N/A</td>
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<td>2</td>
<td>Vice-Chancellor</td>
<td>27 May 2014</td>
<td>27 May 2014</td>
<td>Related Documents section updated.</td>
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<td>3</td>
<td>Council</td>
<td>16 March 2016</td>
<td>21 July 2016</td>
<td>New version arising from the policy consolidation project, consolidating the Advancement Policy, Matching Philanthropic Income Policy (MPF1279) and Gift Acceptance and Review Procedure MPF1257</td>
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<td>4</td>
<td>Council</td>
<td>1 May 2019</td>
<td>21 May 2019</td>
<td>Amended to include reference to University Council approved (Meeting 5/2018 on 5 December 2018) Donor Charter and Donations Framework and other minor amendments to update titles and remove duplication.</td>
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