

# FOUNDATIONS POLICY 2016

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

Dated: 6 May 2016

Last amended: 30 May 2017 (commencing 1 June 2017) (administrative amendments only)

1 June 2023 (administrative amendments only)

14 May 2024 (administrative amendments)

Signature:

Name: Dr Michael Spence

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### 1 Name of policy

This is the Foundations Policy 2016.

### 2 Commencement

This policy commences on 1 June 2016.

### 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) recognises the valuable role foundations play in support of the University; and
- (b) sets out the requirements for the establishment, management and review of foundations within the University.

## 5 Application

This policy applies to:

- (a) all University staff and affiliates; and
- (b) any body, group or entity within the University which is established under this policy or which:
  - (i) has, up to the date of this policy, been called a foundation; and
  - (ii) is governed by the model foundation rules, or an earlier version of that document.

## 6 Definitions

<b>delegate</b>	means the person with appropriate delegated authority under the <a href="#">University of Sydney (Delegations of Authority) Rule</a> , or any replacement document.
<b>foundation</b>	means an organisation within the University which has no separate legal status and is established by the relevant delegate in accordance with the <a href="#">University of Sydney Act 1989 (as amended)</a> .
<b>foundation council</b>	means the governing body of a foundation, as required by clause 11 of this policy and established in accordance with this policy and the foundation's rules.
<b>model foundation rules</b>	means the model rules for foundations contained in the Schedule to <a href="#">Foundations Procedures</a> .
<b>organisational unit</b>	includes a faculty, department, centre or institute of the University.
<b>Vice-Chancellor</b>	means the Vice-Chancellor and President.
<b>University Officer (Foundations)</b>	means the officer appointed in accordance with clause 10 of this policy.

## 7 The objects of foundations

- (1) The objects of a foundation are:
  - (a) to increase the resources of the University, by fundraising or otherwise securing gifts, grants, the provision of services or other non-financial contributions;
  - (b) to assist the Senate and Vice-Chancellor in the promotion of the object of the University in relation to the relevant field or fields of study and through the relevant organisational unit; and
  - (c) any other object specified in the foundation's rules and approved by the relevant delegate
- (2) A foundation may act only in accordance with its objects.
- (3) A foundation must not engage in any activity, or otherwise conduct its affairs in any way, which will or may endanger:
  - (a) the tax deductible status of gifts to the University;
  - (b) the income tax exempt status of the University; or
  - (c) any other exemption or concessional treatment of the University in relation to federal or state taxation.

## 8 Foundation rules

- (1) The model rules for foundations are set out in the Schedule 1 of the [Foundation Procedures](#).
- (2) Except with the approval of the relevant delegate under subclause 8(3) of this policy, a foundation's rules must comply with the model foundation rules as amended from time to time.
- (3) The relevant delegate may permit a foundation extant at the time the model foundation rules are amended to continue with its then current rules, without amendment.

## 9 Establishing foundations

- (1) A foundation is established when the relevant delegate resolves to do so, effective from the later of the date of the resolution or the commencement date specified in the resolution.
- (2) In order to establish a foundation, the proponent must prepare a written proposal in the form, and obtain the endorsements, specified in the [Foundations Procedures](#).
- (3) A foundation must not purport to convene a meeting before the relevant delegate has approved its establishment.

## 10 University Officer (Foundations)

- (1) As soon as possible after a foundation is established, the Vice-Chancellor must appoint a University Officer (Foundations) for it.

- (2) The University Officer (Foundations) must be an officer of the University and will usually be the Dean or Head of Administrative Unit most closely linked with the foundation.
- (3) The University Officer (Foundations) is responsible for discharging the duties of that office as set out in the foundation's rules and in accordance with the [University of Sydney \(Delegations of Authority\) Rule](#).

## **11 Foundation governance**

- (1) A foundation is governed by its rules.
- (2) A foundation acts through its council, appointed in accordance with its rules.
- (3) A foundation council is responsible for:
  - (a) ensuring that the foundation is effectively managed to achieve its objectives;
  - (b) ensuring that the foundation operates in accordance with its rules;
  - (c) subject to University policies and procedures and any other University requirements, formulating strategies and procedures to identify and manage risk;
  - (d) advising the University Officer (Foundations) on the performance and operation of the foundation;
  - (e) working with the University's Financial Services Unit to ensure the preparation of an annual budget for the foundation; and
  - (f) working with the University's Financial Services Unit to ensure the foundation provides an annual report and financial statements to the Chief Financial Officer.

**Note:** See [Foundations Procedures](#) for further detail.

## **12 Appointing and selecting councillors**

- (1) Councillors must be appointed in accordance with the foundation's rules.
- (2) The Vice-Chancellor will appoint the initial members of a foundation council, in consultation with the relevant University Officer (Foundations) and in accordance with the foundation's rules.
- (3) Councillors must be selected on the basis of their capacity to contribute to the effective working of the Council in meeting its objects.
- (4) A foundation's council may determine a process for the nomination of new councillors, in accordance with the foundation's rules.
- (5) The Vice-Chancellor may remove a council member at any time, and will inform the councillor of its reasons for doing so.

## **13 Review and reporting**

- (1) Each foundation council must report on the foundation's activities, against objectives and targets (including financial targets) as part of the annual reporting process to the Vice-Chancellor through the University Financial Services Unit.

- (2) The University, through the relevant delegate or the relevant administrative unit:
  - (a) may review the financial viability of a foundation at any time; and
  - (b) must do so for each foundation at least once every three years.

## 14 Terminating foundations

- (1) The relevant delegate may terminate a foundation:
  - (a) of his or her own motion;
  - (b) on request of the council of the foundation; or
  - (c) on recommendation of the relevant University Officer (Foundations).
- (2) A foundation is terminated when the relevant delegate resolves to do so, effective from the later of the date of the resolution or the termination date specified in the resolution.
- (3) The University Officer (Foundations) may recommend termination of a foundation if of the opinion that:
  - (a) the foundation is creating an undue risk for the University, including risk to the University's reputation;
  - (b) the foundation is not contributing sufficiently or effectively to the (financial or non-financial) resources of the University; or
  - (c) the foundation is not financially sustainable without recourse to other resources of the University or is depleting the capital of the University.
- (4) The assets of a terminated foundation will be applied as far as practicable:
  - (a) for purposes that reflect the foundation's objects;
  - (b) consistently with the terms of applicable grants, gifts and bequests; and
  - (c) the objects of a terminated foundation will continue to be pursued, as far as practicable, by the relevant organisational unit of the University.

## 15 Transitional provisions

Foundations existing at the date of commencement of this policy must comply with this policy and its associated procedures no later than one year from the date of commencement of this policy.

## 16 Rescissions and replacements

This document replaces the *Foundations Policy*, which commenced in 2011, which is rescinded as from the date of commencement of this document:

## NOTES

### Foundations Policy 2016

Date adopted:	6 May 2016
Date commenced:	1 June 2016
Date amended:	30 May 2017 (commencing 1 June 2017) 1 June 2023 (administrative amendments) 14 May 2024 (administrative amendments)
Administrator:	Vice-Principal (Advancement)
Review date:	6 May 2021
Rescinded documents:	<i>Foundations Policy 2011</i>
Related documents:	<i>Income Tax Assessment Act (Cth)</i> <i>University of Sydney Act 1989 (NSW)</i> <i>Charitable Fundraising Act 1991 (NSW)</i> <i>Charitable Fundraising Regulations 2008 (NSW)</i>  <i>University of Sydney (Delegations of Authority) Rule</i>  <i>Staff and Affiliates Code of Conduct</i> <i>Gift Acceptance Policy</i> <i>Work Health and Safety Policy</i> <i>External Interests Policy</i>  <i>Foundations Procedures</i> <i>Gift Acceptance Procedures</i>

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## AMENDMENT HISTORY

<b>Provision</b>	<b>Amendment</b>	<b>Commencing</b>
Various	Hyperlinks updated to Foundations Procedures 2016	6 June 2016
6; related documents	Amending references to University of Sydney (Delegations of Authority – Administrative Functions) Rule 2016	1 June 2017
Notes	Amended reference to internal policy document	1 June 2017
6; 10(3); related documents	'University of Sydney (Delegations of Authority – Administrative Functions) Rule 2016' replaced with 'University of Sydney (Delegations of Authority) Rule 2020	1 June 2023
6	'Vice-Chancellor and Principal' amended to read 'Vice-Chancellor and President'	1 June 2023
related documents	'Code of Conduct – Staff and Affiliates' replaced with 'Staff and Affiliates Code of Conduct 2020'	1 June 2023
Throughout	Administrative amendments to remove the year in policy references	14 May 2024