

MEMORANDUM OF UNDERSTANDING/TERMS OF REFERENCE
FUNDRAISING for the Lucindale Community Swimming Pool Project

Gum Avenue, Lucindale, SA, 5272

April 2019

Background

- The Lucindale community is seeking to fundraise and receive donations to facilitate the implementation of a community swimming pool at Lucindale.
- The community swimming pool project is a community partnership and will be located at Lucindale Area School.
- Lucindale Area School will manage the operation of the pool and be responsible for the annual operational costs and repairs and maintenance of the pool.
- The community swimming pool project will be jointly funded by Lucindale Area School, Department for Education, Lucindale Lions Club, fundraising, donations from community groups and private donations.
- There is a shortfall of funds. A minimum of \$170K must be raised and up to \$370K can be raised.
- Advice has been received from Alice Macdougall, Special Counsel, Herbert Smith Freehills who has stated that: *“There are court cases stating that creating or maintaining public parks and recreation grounds in a locality is a charitable purpose, because the provision of means for healthy recreation is charitable as the promotion of health and beneficial to a community, provided the facilities are widely available to the public. This principle has been extended to other sporting and recreational facilities including an ice skating rink and so is easily translatable to funding and maintaining a swimming pool as is outlined in the Lucindale community business plan. It is essential that the grant conditions accompanying the payments provide that the pool when completed must be widely available to the public and the focus of the use of the pool is for promotion of health and education of the community and surrounding areas.” 21/3/19*
- Donations of over \$2 for the project are tax deductible via an arrangement between Stand Like Stone Foundation (SLSF) and the Foundation for Rural and Regional Renewal (FRRR).
- A fee of 5% (FRRR 2.5% and SLSF 2.5%) will be levied on donations to assist with covering administrative costs such as issuing tax receipts, tracking via management account, keeping a record of donors/donations, governance requirements and flow through grant requirements.

Purpose

- A once off, specific purpose committee will be established to plan, coordinate and undertake fundraising for the Lucindale Community Swimming Pool Project.
- The goal is to raise a minimum of \$170K and up to \$370K for use in the Lucindale Community Swimming Pool Project.

Membership

- A fundraising committee will be established that consists of members of Lucindale and surrounding community
- Must include Executive Officer of SLSF (or delegate)
- Must include x1 member of LAS Governing Council
- Must include x1 member of LINC

Responsibilities

- Initiate, plan and undertake appropriate fundraising activities.
- Liaise with key stakeholders as required.
- Maintain records of funds raised with relation to fundraising target.

Meetings

- The fundraising committee will meet as required.

Reporting

- The fundraising committee will report to the LAS Governing Council, LINC and SLSF as required.

Parameters of Fundraising

- SLSF will receive donations for the Lucindale Community Swimming Pool Project.
- SLSF will allow the Stand Like Stone Donation Account held with FRRR to be used for the purpose of receiving donations for the Lucindale Community Swimming Pool Project to enable tax deductibility for donations received, in keeping with FRRR agreement that the donation account be used for this purpose.
- If tax deductibility is required, donations may be made as follows:
 - To Stand Like Stone Foundation Public Ancillary Fund (PuAF DGR2): Majority of donations from community will be made in this way. Stand Like Stone will manage the receipting of donations and collate donations. Total donations received in SLSF PuAF will then be flowed through SLSF Donation Account held with FRRR and then be returned to SLSF Open Fund for grant distribution to LINC (LUCINDALE COMMUNITY ECONOMIC DEVELOPMENT BOARD INCORPORATED ABN 72 102 730 510), or similar, a not for profit community organisation, for use in the Lucindale Community Pool Project.
 - Direct to the SLSF Donation Account held with FRRR (Public Ancillary Fund DGR1) for donations from Private Ancillary Funds (PAFs) and other organisations requiring DGR1. FRRR will then transfer the donations to SLSF Open Fund and SLSF will then make these funds available for grant distribution to LINC (LUCINDALE COMMUNITY ECONOMIC DEVELOPMENT BOARD INCORPORATED ABN 72 102 730 510), or similar, a not for profit community organisation, for use in the Lucindale Community Pool Project.
- If the project does not proceed, donations will be returned to donors who can be identified, or invested in Lucindale-based sub fund if donor cannot be identified.
- If greater than \$170K is raised, up to an additional \$200K can be collected which will be used as follows:
 - To reduce the requirement for Lucindale Area School to take out a low interest loan for this sum, or
 - Applied to other aspects of the project in keeping with the charitable purpose of the project, such as installation of further heating options to further extend the use of the pool.
- The maximum amount that can be received through donations and fundraising for the Lucindale Community Pool Project is \$370K (\$170K shortfall + up to \$200K offset for low interest loan/other charitable aspects of project).
- If greater than \$370K is received, donations will be returned to donors who can be identified on a “last in, first out” basis on date received, or invested in Lucindale-based sub fund if donor cannot be identified on a “last in, first out” basis on date received.

- SLSF will treat the funds as a flow-through grant to LINC (or similar) and recipient organisation will be required to adhere to normal grant governance, ie grant conditions, agreement and acquittal. Grant conditions that will accompany the payments will state that the pool when completed must be widely available to the public and the focus of the use of the pool is for promotion of health and education of the community and surrounding areas.

Charitable Purpose

- The focus of the use of the pool is for promotion of health and education of the community and surrounding areas.
- The provision of means for healthy recreation is charitable as the promotion of health and beneficial to a community, provided the facilities are widely available to the public.
- The pool when completed will be widely available to the public.

Signed _____
 Name _____
 Date _____
On behalf of LUCINDALE AREA SCHOOL

Signed _____
 Name _____
 Date _____
On behalf of LINC

Signed _____
 Name _____
 Date _____
On behalf of STAND LIKE STONE FOUNDATION