

Rotary



**ROTARY AUSTRALIA
WORLD COMMUNITY
SERVICE**

POLICY on

SERVICE FEES charged from donations to:

ROTARY AUSTRALIA OVERSEAS AID FUND

ROTARY AUSTRALIA BENEVOLENT SOCIETY

JANUARY 2016

At the AGM held in November 2011, the District Governors of 2010-2011 (being the Members of RAWCS Ltd) resolved to accept a proposal that a Service Charge be levied on donations.

Since that time, many hours have been spent, drafting documents, to ensure the final decision will result in a system that offers the best outcomes at the lowest possible cost to those who plan and operate the projects of RAWCS - Rotarians and their Rotary Clubs and Districts.

Over the past few years, RAWCS has witnessed an unsurpassed growth in, the number of projects registered through the Rotary Australia Overseas Aid Fund (RAOAF).

The workload on the Regional and National volunteer committees has increased many times.

More recently, with the start-up of Rotary Australia Benevolent Society (RABS) and the Developed Countries Disaster Fund (DCDF), both very exciting new innovation from your RAWCS and National Committee, Rotarians now can register and run projects directly in our Australian communities and for disasters in Australia and developed countries overseas.

In partnership with Rotary Clubs, Philanthropic donors are able to perform projects, both internationally and within Australia and receive an appropriate tax benefit.

Donations towards the costs of projects are Tax Deductible by, authority of either the "Rotary Australia Overseas Aid Fund" (ABN 21 388 376 554) or the "Rotary Australia. Benevolent Society" (ABN 54 563 288 318). Both are endorsed as a Deductible Gift Recipient by the Australian Tax Office.

With... all this happening Rotary's presence in the wider community is becoming more prominent than in the past history of Rotary in Australia.

Consequently, it is expected that projects will continue to increase during each year. The future of Rotary in Australia is truly exciting.

At National and Regional levels, secretarial services are required to ensure a smooth flow of documentation processes.

Therefore, though much of the recording of project activity will continue to be carried out by volunteers, it has become necessary for National and Regional committees to employ a secretariat.

This expansion and the increase in organisation, management, corporate governance and financial accountability comes at an ever increasing cost.

How do we fund the administrative costs of RAWCS?

After much deliberation, it was determined a Service Fee of three percent (3%) will be necessary, to be collected by the RAWCS National Board.

Regional RAWCS funding is allocated from the Service Fee following the submission and adoption of annual budgets to the National Treasurer.

The RAWCS Board resolved that all donations made directly to the RAOAF and/or the RABS to the credit of projects registered with RAWCS, are to be charged the Service Fee, subject to the exceptions listed below.

Please note that ALL donations made by CREDIT CARD will be charged the Service Fee without exception (including from Rotarians and Rotaractors)

If any donation is made to any of the RAWCS accounts without the donor filling out the online donation details and quoting the receipt/transaction number, they will be charged the full service charge.

Exceptions to the Service Fee payment by Direct Deposit and Cheque:

- a) Personal Donations from Rotarians or Rotaractors, made in relation to registered RAWCS projects and activities.
- b) Donations from Rotary Clubs, Rotaract Clubs and Districts in support of registered RAWCS projects and activities.
- c) Donations deemed by the National Board to be strategic and where it is not in the best interest of RAWCS to deduct the full service fee.

In accordance with this clause a smaller fee may be negotiated in writing with donors and Government related entities offering grants for major projects.

- d) Donations and arrangements which have been entered into prior to the commencement of this policy where a lower fee has been agreed between the RAWCS representative and the donors.
- e) Non-taxable donations for personal and direct expenses by members of Project Volunteer Teams.
- f) Donations to RAOAF, RABS and DCDF projects registered to respond to a declared disaster.