

Monash University Procedure

Procedure Title	Gift Acceptance – Gift Receipting Procedures (Australia)
Parent Policy	Gift Acceptance Policy
Date Effective	
Review Date	
Procedure Owner	
Category	Operational
Version Number	1.0
Content Enquiries	Advancement Policies
Scope	All Monash staff
Purpose	Monash University has been endorsed by the Australian Taxation Office (ATO) as a Deductible Gift Recipient (DGR) and, as such, it is obliged to adhere to certain conditions regarding the receipting of gifts.
PROCEDURE STATEMENT	

1. Gifts of Cash (includes money, cheques and direct bank deposits)

- 1.1. Cash or cheque receipts for gifts must be forwarded to Research and Revenue Accounting Services staff along with any supporting documentation about the gift.
- 1.2. Notification of donations expected to be directly deposited to the University's bank account must be made to the relevant Research and Revenue Accounting Services staff member and to donorservices@monash.edu.
- 1.3. Analysis of the gift must be undertaken to determine if the University is able to accept the gift under the University Gift Acceptance Policy. Contact Donor Stewardship and Recognition where advice is required.
- 1.4. Supporting documentation must be analysed to determine if the funds meet the definition of a gift. Examples of supporting documentation include, but are not limited to: a letter from the donor, a gift agreement, a grant application, a Grant Fund Details sheet received from the Research Office, a university appeal letter.

2. Gifts for Amounts Less Than \$5,000

- 2.1. An online SAP ROMR form must be completed, providing the following information:
 - Name of the donor
 - Donor Identification Number (if known)
 - Address of the donor
 - Relevant project to which the donation relates
 - A tax code
 - S3 must be used for a tax deductible gift

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- S8 must be used for a Non-deductible Gift
- An appropriate GL account. Gifts must only be allocated to one of the following GL accounts:
 - 514011 Don-Res Aus Bus/NP
 - 514021 Don-Res O/seas
 - 532001 Don-N/Res Aus N/Prof
 - 532011 Don-N/Res Aus Bus
 - 532021 Don-NRes O/Seas
 - 533001 Beq-N/Res Aus
 - 512031 Grant-Res Aus Bus/NP
 - 512041 Grant-Res O/Seas
 - 512081 Grant-Res N/Cwth Com
 - 531031 Grant-N/Res N/Prof
 - 531041 Grant-N/Res Aus Bus
 - 521001 Scholarships Inc
 - 521011 Awards/Prizes - Inc
- 2.2. Cheques and cash must be deposited at the Cashier's Office on the relevant campus.
- 2.3. For gifts greater than \$500, the SAP document number and copies of supporting documentation in relation to the gift must be forwarded to Donor Stewardship and Recognition (donorservices@monash.edu). This will assist External Relations, Development and Alumni Division (ERDA) with tailoring thank you letters and generating receipts.
- 2.4. Where the donor has requested an invoice to be raised, a request should be made to Donor Stewardship and Recognition (donorservices@monash.edu) to raise the invoice. The same information for the ROMR (see 2.1) should be provided to Donor Stewardship and Recognition.
- 2.5. Donor Stewardship and Recognition will provide the Research and Revenue Accounting Services staff member with the invoice number so that the online ROMR can then be completed.

3. Gifts for Amounts Greater Than \$5,000

- 3.1. For gifts greater than \$5,000 a request for an invoice to be raised by Donor Stewardship and Recognition must be made either via the Invoice Request online form or by emailing donorservices@monash.edu.
- 3.2. To assist in tailoring thank you letters and generating receipts, the following information must be provided with the invoice request:
 - Name of the donor
 - Donor Identification Number (if known)
 - Address of the donor
 - Relevant project the donation relates to
 - A tax code
 - S3 must be used for a tax deductible gift
 - S8 must be used for a non-deductible gift
 - An appropriate GL account. Gifts must only be allocated to one of the following GL accounts:

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- 514011 Don-Res Aus Bus/NP
 - 514021 Don-Res O/seas
 - 532001 Don-N/Res Aus N/Prof
 - 532011 Don-N/Res Aus Bus
 - 532021 Don-NRes O/Seas
 - 533001 Beq-N/Res Aus
 - 512031 Grant-Res Aus Bus/NP
 - 512041 Grant-Res O/Seas
 - 512081 Grant-Res N/Cwth Com
 - 531031 Grant-N/Res N/Prof
 - 531041 Grant-N/Res Aus Bus
 - 521001 Scholarships Inc
 - 521011 Awards/Prizes - Inc
 - Copies of supporting documentation in relation to the gift.
- 3.3. The Research and Revenue Accounting staff member should inform Donor Stewardship and Recognition if the donor has requested an invoice to be sent to them.
- 3.4. Invoices will be raised when requested:
- Where a donor has made a request for the invoice, it will be sent to the donor.
 - Where the invoice is raised only because the amount is more than \$5,000, it must not be sent to the donor but will remain on file.
- 3.5. Thank you letters and official receipts will be generated from the Raiser's Edge database for all gifts of cash where an invoice has not been sent to the donor.
- 3.6. Receipts for gifts of cash must contain the following information:
- The words "Monash University"
 - Monash University's ABN
 - The name of the fund to which the gift is allocated (applicable Monash event or cause)
 - The amount of the gift
 - Notification that the receipt is for a gift (e.g. using the wording "Thank you for your gift")
 - Tax deductible gifts should state "Gifts to Monash University of AU\$2 or more are allowable deductions for income tax purposes within Australia"
 - The date of the gift
 - The unique sequential receipt number generated from Raiser's Edge
 - The SAP document number linking the gift to the receipt, recorded in the University's financial accounting system (SAP). This will either be the ROMR SAP number, the invoice number or a OneStop number.

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4. Gifts Paid by Credit Card via the Internet

- 4.1. Where faculties or portfolios wish to collect funds online for a particular cause, they must contact Donor Stewardship and Recognition to enable their cause to be listed on the official Monash Giving webpage.
- 4.2. The e-cart facility must not be used by faculties and portfolios to set up products for donations.
- 4.3. Faculties and portfolios must not issue receipts for payments received from the Monash Giving webpage.
- 4.4. Maintain the Online Giving webpage, updating it as required and based on strategy devised by External Relations, Development and Alumni Division.
- 4.5. Analyse the tax deductibility of new gifts offered online, seeking advice from Tax, Corporate Finance when required.
- 4.6. Ensure that the new gift project is set up to automatically generate tax deductible receipts for tax deductible gifts.
- 4.7. Where a new gift project is not tax deductible, ensure that wording on the webpage clearly reflects this and that non-deductible receipts are automatically produced when donations are received.
- 4.8. No receipts are generated from Raiser's Edge for online gifts.
- 4.9. Thank you notices and receipts are sent automatically through the website via email.

5. Gifts Received via EFTPOS in Faculties

- 5.1. Analyse the gift to determine if it falls within the University Gift Acceptance policy guidelines.
- 5.2. Analyse supporting documentation to determine if the funds meet the definition of a gift. Examples of supporting documentation include a letter from the donor, a gift agreement, a grant application or a university appeal letter. Seek assistance from Research and Revenue Accounting Services staff when required.
- 5.3. Give the receipt generated by the EFTPOS machine to the individual making the payment.
- 5.4. Advise the individual that an official receipt will be generated and mailed to their address.
- 5.5. Obtain the individual's name and address and the specifics of any cause to which they wish the gift to be directed.
- 5.6. If the receipt is a gift, an online SAP ROMR form must be completed which includes the following information:
 - Name of the donor
 - Address of the donor
 - Relevant project to which the donation relates
 - A tax code
 - S3 must be used for a tax deductible gift
 - S8 must be used for a non-deductible gift
 - An appropriate GL account. Gifts must only be allocated to one of the following GL accounts:
 - 514011 Don-Res Aus Bus/NP
 - 514021 Don-Res O/seas
 - 532001 Don-N/Res Aus N/Prof
 - 532011 Don-N/Res Aus Bus

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- 532021 Don-NRes O/Seas
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 - 531031 Grant-N/Res N/Prof
 - 531041 Grant-N/Res Aus Bus
 - 521001 Scholarships Inc
 - 521011 Awards/Prizes - Inc
- 5.7. The SAP document number and copies of any supporting documentation in relation to the gift must be forwarded to Donor Stewardship and Recognition so that a receipt and a thank you letter can be generated.
- 5.8. Thank you letters and official receipts will be generated from the Raiser's Edge database for EFTPOS payments.

6. Gifts of Property

- 6.1. Gifts of property where the value is less than \$500 may be accepted at the discretion of faculties/portfolios.
- 6.2. Before a gift of property (likely to have a value more than \$500) is accepted by the University, Donor Stewardship and Recognition must be notified to make a decision of acceptance.
- 6.3. University staff must notify Donor Stewardship and Recognition of any gifts of property so that receipts/thank you letters can be generated.
- 6.4. Analysis of the gift must be undertaken to determine if the gift falls within the University Gift Acceptance policy guidelines.
- 6.5. If the gift is considered a cultural gift according to the ATO gift types, it may only be accepted by the University Museum or Library as part of the Cultural Gifts Program. The Library or Museum must be contacted and advised of the potential gift.
- 6.6. For donors who gift property other than that handled by the Museum or the Library, thank you letters and receipts will be generated by the Raiser's Edge database.
- 6.7. Receipts for gifts of property require the following information:
- The words 'Monash University'
 - Monash University's ABN
 - Notification that the receipt is for a gift (e.g. using the wording "Thank you for your gift")
 - The date when the gift was received
 - A description of the item of property
 - The statement: *Please seek advice from your accountant regarding any potential tax deductibility of this gift. Donors may need to keep the date of acquisition, the amount paid for the property and any valuations.*
- 6.8. Asset Management, Corporate Finance must be notified of the non-cash gift so it can be recorded in the University's financial accounting system (SAP).

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- 6.9. It is the responsibility of the donor, not the University, to obtain a valuation for an item of property to determine if it is tax deductible. However, departments may choose to pay for such valuations on behalf of the donor and the cost will be allocated to their cost centre and fund.
- 6.10. Where a faculty or department wishes to fund a valuation, an application must be made to the Australian Valuation Office within the Taxation Office:
<http://www.ato.gov.au/corporate/pathway.asp?pc=001/001/023>
- 6.11. Working with the relevant Purchasing Services staff member, arrange for a valuation of the gift to be obtained.
- 6.12. For gifts of property valued at more than \$5,000, create an asset in SAP:
- Post a journal to allocate a value to the asset
 - Credit the income to 532041 "Don-Assets"
 - Debit an appropriate asset general ledger code
 - A tax code of S3 must be used for the income
 - A tax code of S9 will be used for the asset
- 6.13. For gifts of property valued at an amount less than \$5,000:
- Post a general journal in SAP
 - Credit the income to an appropriate donations general ledger account
 - Debit the expense to an appropriate general ledger expense account
 - A tax code of S3 must be used for the income
 - A tax code of S9 must be used for the expense

Responsibility for implementation	<ul style="list-style-type: none"> • Receiver of cash of cheque • Research and Revenue Accounting Services staff • All staff • Donor Stewardship and Recognition • Staff member approached by potential donor • Asset Management, Corporate Finance Division
Status	
Approval Body	Operational procedure Name: Date: Author:
Definitions	ATO: Australian Taxation Office Deductible Contribution: Monash University fundraising events encourage contributions which may extend a minor benefit to the contributor at the same time. As a benefit is received in return, the contributor is not entitled to claim the contribution as a tax deductible gift. However, some contributions

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	<p>made by individuals to Monash in relation to a DGR fundraising event such as a fete, ball, dinner or charity auction may be a tax deductible contribution if particular criteria are met. Refer to Gift Acceptance–Receipting for Fundraising Events Procedures and Gift Acceptance–Receipting for Charity Auctions Procedures.</p> <p>Deductible Gift Recipient (DGR): Entity endorsed by the ATO to receive tax deductible donations.</p> <p>Deductible Gift: A gift for which the donor is entitled to a tax deduction in Australia.</p> <p>Donor: Individual or entity who makes a gift or contribution to the University.</p> <p>EFTPOS: Electronic Funds Transfer at Point of Sale. Faculties and portfolios have machines which accept debit and credit card payments.</p> <p>Gift: Any transfer of money or property to the University made voluntarily by benefaction, where no material benefit is received by the donor. The money or property must be owned in full by the University once received. Gifts cannot be refunded unless they were received in error. Grants received by the University may be considered gifts if they comply with this definition. Because the University is an endorsed Deductible Gift Recipient, most gifts made to the University of AU\$2 or more are allowable deductions for income tax payers in Australia.</p> <p>GST: Goods and Services Tax as defined in A New Tax System (Goods and Services Tax) Act 1999.</p> <p>Online SAP ROMR: Online SAP Record of Monies Received form—an online form used to record the details of funds received via cheque, cash and credit card.</p> <p>Non-deductible Gift: A gift will not be tax deductible to a donor where the funds are not spent on the University’s objects and purpose or where the beneficiaries are not in Australia.</p> <p>Property: Property has a wide meaning and includes physical items as well as rights and interests that are capable of ownership and have a value, for example, artwork, shares, equipment and trading stock.</p> <p>Raiser’s Edge: The database used by the Advancement Division to record gifts made to the University.</p>
Legislation Mandating Compliance	
Related Policies	
Related Documents	