



MELBOURNE UNIVERSITY SPORT

GUIDELINES FOR SEEKING DONATIONS

Seeking donations from club alumni can be an effective means of raising funds for specific purposes such as equipment, scholarships or other club programs.

The University of Melbourne has a “Deductible Gift Recipient (DGR)” status, and use of this status is governed by the Australian Tax Office. The DGR status provides for donations or gifts made to the organisation to be tax deductible under certain conditions.

To be a tax deductible gift, the gift must have the following characteristics:

- it is made voluntarily
- it does not provide a material benefit to the donor, and
- it essentially arises from benefaction and proceed from detached and disinterested generosity.

Not all payments to DGRs are gifts. For example, the following payments are not gifts:

- purchases of raffle or art union tickets
- purchases of chocolates, pens etc
- the cost of attending fundraising dinners, even if the cost exceeds the value of the dinner
- membership fees
- payments where the person has an understanding with the recipient that the payments will be used to provide a benefit for the ‘donor’.

In addition, gifts must be solicited by and paid to the DGR. This means clubs cannot solicit directly for gifts and all gifts must be paid directly to the University.

Therefore, if your club wishes to seek gifts from club supporters, the following process must be followed if you want donors to be able to claim a tax deduction for their gift:

1. The solicitation (via letter or newsletter) must come from the University. As Melbourne University Sport is a department of the University, this means that the Director of MUS is able to make the request.
 - If your club is mailing a letter seeking donations, it must be signed by the Director. A suggested letter can be provided. The letter cannot be printed on club letterhead, especially if the club’s ABN appears. Clubs can use MUS letterhead, and there will be a small cost to cover the cost of the stationery.
 - If the solicitation is included in a newsletter, then the ‘ask’ should come from the MUS Director.
2. The approved Donation Form (copy attached) must accompany all payments.

3. Donations must be made payable to the University of Melbourne and sent directly to:
The Development Office
The University of Melbourne
Victoria 3010
4. The Development Office will issue an acknowledgement letter and receipt.
5. Funds derived from donations are held by Melbourne University Sport for the club and must be expended through MUS. Cash grants cannot be made available to Clubs.

To avoid embarrassment to the University, clubs and donors, clubs should ensure they follow the procedures above. The Development Office will require a copy of the letter used to solicit donations prior to receipting any donations.