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# Administration of Donations Procedure

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## 1. Purpose

The purpose of this document is to provide Wheatbelt staff with guidance regarding the administration of donated funds and the criteria upon which donations are to be accepted, and the manner in which donated funds can be expended.

This document has been developed following feedback from Wheatbelt District Health Advisory Council (DHAC).

### Key Principles

- Seek to encourage public donations and to fulfil the wishes of the person or persons making the donations where practical and safe to do so
- Anonymous donations are not to be accepted
- In the case of a deceased estate, act in accordance with the terms of the bequest
- Where not specified, aim to allocate the funds to the local health service in which the donation was raised
- The region reserves the right to use donations to the benefit of the local community and the whole region e.g. palliative care equipment available for loan across the region
- Seek to utilise the funds promptly and efficiently
- Manage and administer the funds according to WA Health and Department of Finance rules and regulations
- Acknowledgement of receipt of donations
- Only in exceptional circumstances are donated funds to be utilised to purchase non-clinical capital items.

## 2. Procedure

This document is to be read in conjunction with the WA Health [Financial Management Manual \(FMM\), Section 530 Receiving Donations](#).

### 2.1 Criteria for accepting a donation

- Donations must be made voluntarily
- They do not provide a material benefit to the donor
- Essentially arise from benefaction and proceed from detached and disinterested generosity
- Donations offered by companies or organisations that conflict with WACHS values and practices (e.g. tobacco companies) are not to be accepted
- Donations that may cause or be perceived to cause a Conflict of Interest are not to be accepted.

### 2.2 Donations Process

#### Evaluation of Donations

Refer to the [Receipt of Donations Revenue Process Map](#).

In all cases, the offer to donate must be evaluated before acceptance using the [Donation Evaluation Form \(Cash Donation\)](#) or the [Donation Evaluation Form \(Donation of Goods\)](#)

which have been developed in accordance with the criteria for accepting a donation as outlined in page 1. Copy of the Donation Evaluation form is to be emailed to the [Donations Coordinator](#) for review and progression to the Regional Director.

Where the donation is regarded as being significant (>\$5,000) and the bona fides of the donor are not known, the prospective donation is to be referred to the Donations Coordinator.

If the evaluation does not meet the criteria for acceptance of a donation, the donation is to be declined **at the time of offer**, or acknowledged in writing to the donor/prospective donor using the [Declined Donation Acknowledgement Letter](#).

### **Acceptance of Donations**

All receipt of donations, bequest or grant revenue, in cash or property, to a value up to and including \$100,000 must be approved by the Regional Director as per section 4.5.01 of the [WACHS Authorities Schedule](#).

The Donations Coordinator is to prepare a schedule of donations received and seek the Regional Director's retrospective approval on a monthly basis.

### **Acknowledgement of Donations**

Once acceptance of the donation is approved, donations of money \$50 or more, are to be acknowledged in writing from the Regional Director using the [Donation Acknowledgement Letter](#).

Donations of \$50 or more for a "specific purpose" are to be acknowledged in writing from the Regional Director using the [Donation Acknowledgement Letter \(Specific Purpose\)](#).

### **Receipt of Donations Revenue**

- Please refer to the [Receipt of Donations Revenue Process Map](#)
- If the donation is accepted, any conditions regarding the use of the funds are to be acknowledged on the receipt. A manual receipt is to be issued for each donation accepted using the Kalamazoo system and the copy is to be kept on site. The cash receipt journal form is only to contain the donation revenue, with a separate cash receipt journal being used for any operating revenue received on the same day
- Receipt in the name of the actual donor. Donor name, address and contact details are to be noted on the copy of the cash receipts journal
- Accepted cash donations are to be deposited to the WACHS–Bequests and Donations bank account. Each site has been issued with a deposit book for this purpose. All new deposit books are posted to PO Box 690, Northam and are to be posted to the relevant Health Service
- Notification of bank deposits (e.g. copy of cheque), copy of the Kalamazoo receipt and copy of the cash receipt journal are to be emailed to the Donations Coordinator and Finance Manager via [Wheatbelt Donations Email Address](#) to assist with the monthly bank account reconciliation.
- The Donations Coordinator must be notified of any donation given for a specific purpose and this is to be recorded in the Wheatbelt Bequests and Donations Register.

### **Donation of goods**

In instances where goods are donated (i.e. furniture, medical/clinic equipment and or general items) [Donation Evaluation Form \(Donation of Goods\)](#) is to be completed.

Medical/clinical equipment are required BME approval to ensure compliance with WA Country Health Service standards before submission to RD for final decision.

Donations Coordinator is to provide BME Team with the following details for decision making:

- Description of the item
- Manufacture details
- Model
- Serial Number
- Photographs of the item.

### **Donation subject to Purchase**

In instances where the donation is subject to the purchase of and prior to the donation taking place, Section 3/"Subject to Clause" of the [Donation Evaluation Form \(Cash Donation\)](#) is to be completed.

In this instance, **the Expenditure of Donations (2.3.7) occurs prior to the Receipt of Donations Revenue (2.3.4).**

### **Expenditure of Donations**

- Please refer to the [Expenditure of Donations Process Map](#)
- Health Service Managers are to regularly review their donations balances to ensure funds are spent within 12 months of receipt
- Donations not spent within 12 months from the date of receipt (except donations that are for a specific purpose) are to be referred to the Health Service Manager and relevant Tier 4 Manager from the Donations Coordinator, and requested that they consider appropriate expenditure of the donated amount within a two (2) week period – failure to respond or submit a [Request for Expenditure of Donations Funds Form](#) will result in the donated amount being transferred into a Regional Pool for utilisation at the Wheatbelt Executive's discretion
- Health Service Managers are to complete a [Request for Expenditure of Donations Funds Form](#) and seek approval from their relevant Tier 4 manager prior to submitting to [Donations Coordinator](#) prior submission to Regional Director for approval consideration
- Purchases of items valued at \$5,000 or more are to be referred to the [Donations Coordinator](#) for appropriate coding
- Once a decision has been made by the Regional Director, and if the request is approved, the goods are purchased through the normal WACHS-Wheatbelt purchasing guidelines via i-Procurement (over \$5,000), or P-Card (under \$5,000) and invoices paid from the main Operating Account
- All purchases must be coded to cost centre "WB RM Donations 0806038"
- The account code is to be selected from the WACHS Standard Chart of Accounts. All questions regarding an appropriate chart of account are to be directed to the [Donations Coordinator](#).

### **Recoup of Expenditure from Donations Account to Operating Account**

- The Donations Coordinator is to provide the necessary information to the General Ledger Team (WACHS Central Office) to enable transfer of cash from the Donations bank account to the Operating bank account via Electronic Funds Transfer. The amount transferred is to **exclude GST**.

- The Donations Coordinator is to provide the necessary information to the General Ledger Team (WACHS Central Office) to raise a journal to reflect the cash transfer in the Oracle General Ledger.
- The Donations Coordinator is to record the reimbursement in the Wheatbelt Bequests and Donations Register.

### Monitoring

Donations balances are to be monitored each quarter by the Wheatbelt Executive and can be considered as an available funding source for purchases designed to improve health service provision and patient outcomes.

Donation funds for all Wheatbelt Health Services are held in a Commonwealth Bank of Australia bank account, named WACHS-Wheatbelt Bequest and Donations Account, and are administered via an Excel spreadsheet (Wheatbelt Bequests and Donations Register). A summary of balances is presented to the Wheatbelt Executive on a quarterly basis.

## 3. Roles and Responsibilities

### Regional Director:

- Approve receipt of all donations up to and including \$100,000.
- Makes final approval for all Request for Expenditure of Donations Funds once received from Tier 4 Managers.
- Donations >\$50 are to be acknowledged in writing using the [Donation Acknowledgement Letter](#).

### Wheatbelt Executive:

- Review Wheatbelt Bequests and Donations Summary on a quarterly basis.

### Tier 4 Managers:

- Approve all donation evaluation forms prior to seeking Regional Director approval.
- Approve all requests for the expenditure of donated funds prior to seeking Regional Director approval.
- Review the Wheatbelt Bequests and Donation Summary presented at Wheatbelt Executive and ensures all commitments/specific donations are recorded.
- Table the Wheatbelt Bequests and Donations Summary at all District/Team meetings for discussion and noting on a regular basis.

### General Ledger Team (WACHS Central Office):

- Prepare monthly journal to reflect bank account transactions.
- Arrange cash transfers between Operating bank account and Donations bank account in Commbiz as required.

### Manager Financial Accounting (WACHS Central Office):

- Reconcile donations bank statement to GL account 9999999-911300.

### Health Service Manager:

- Seek Tier 4 approval of [Donation Evaluation Form \(Cash Donation\)](#) or of [Donation Evaluation Form \(Donation of Goods\)](#)
- Spend donated funds within 12 months of receipt
- Bank donated funds as per regulations/guidelines and email details to Donations Coordinator

- Seek Tier 4 approval of [Request for Expenditure of Donations Funds Form](#)
- Review monthly balance on the Wheatbelt Bequests and Donations Summary, specifically any donations funds which have no purpose (uncommitted)
- Arrange for prompt and efficient purchase/payment of goods and services in accordance with regulations/guidelines.

### Donations Coordinator

- Provide sites with advice regarding the evaluation of donations before acceptance
- Acknowledge all declined donations in writing to the donor/prospective donor
- Seek Regional Director's approval and/or signature for one or more of the following:
  - [Donation Evaluation Form \(Cash Donation\)](#)
  - [Donation Evaluation Form \(Donation of Goods\)](#)
  - [Request for Expenditure of Donations Funds Form](#)
  - [Donation Acknowledgement Letter](#)
  - [Donation Acknowledgement Letter \(Specific Purpose\)](#)
  - [Declined Donation Acknowledgement Letter](#).
- Maintain a summary of all donations related transactions
- Record the purpose of any donation given with specific purpose
- Reconcile general ledger and Wheatbelt Bequests and Donations Register monthly
- Produce monthly summary of site donations balances and save to HP Records Manager
- Attend to queries and other donations related matters as and when required.

### Regional Business Analyst

- Complete an annual report summarising donation transaction by site for endorsement through relevant committees.

**All staff** are required to work within policies and guidelines to make sure that WACHS is a safe, equitable and positive place to be.

## 4. Monitoring and Evaluation

### 4.1 Monitoring

Monitoring against this policy is to be completed through monthly Reconciliation and reporting to Wheatbelt Executive by the Director Business Services.

### 4.2 Evaluation

Evaluation of compliance with this document is to be carried out by Donations Coordinator/Finance Manager, every 12 months through reporting to WACHS Finance.

## 5. Compliance

This procedure is a mandatory requirement under [Section 530 Receiving Donations – WA Financial Management Manual](#).

Failure to comply with this procedure may constitute a breach of the WA Health Code of Conduct (Code). The Code is part of the [Integrity Policy Framework](#) issued pursuant to Section 26 of the [Health Services Act 2016](#) and is binding on all WACHS staff which for this purpose includes trainees, students, volunteers, researchers, contractors for service

(including all visiting health professionals and agency staff) and persons delivering training or education within WACHS.

WACHS staff are reminded that compliance with all policies is mandatory.

## 6. References

[Section 530 Receiving Donations – WA Financial Management Manual](#)  
[WACHS Authorities Schedule](#)

## 7. Definitions

Term	Definition
<b>Donation</b>	<p>General donations refers to revenues received, such as bequests, grants and donations from the general public, social/sporting clubs, charitable organisations and private businesses etc.</p> <p>Donations may be in the form of money, goods or services. To be recognised as a donation it must have the following characteristics:</p> <ul style="list-style-type: none"> <li>• Voluntarily made</li> <li>• No material benefit or advantage to the donor</li> <li>• Essentially arise from benefaction and proceed from detached and disinterested generosity.</li> </ul>
<b>Material Benefit</b>	<p>“Material benefit” means in essence that the payer has an expectation to receive some form of supply or benefit in return.</p> <p>This can be transparent, (e.g. exclusive reporting on research results that a specific organisation has commissioned), or implicit (e.g. a payment to an affiliate of a parent organisation in order to obtain something from the parent)</p> <p>According to the Australian Taxation Office (ATO), a material benefit would <b>not</b> include acknowledgement of the donation, a small plaque attached to an asset, or the naming of a new wing after a donor as these do not constitute a ‘material’ gain to the donor.</p>
<b>Transparent</b>	This can be transparent, (e.g. exclusive reporting on research results that a specific organisation has commissioned)
<b>Implicit</b>	implicit (e.g. a payment to an affiliate of a parent organisation in order to obtain something from the parent)
<b>Conflict of Interest</b>	A conflict of interest is a situation arising from a potential clash between the performance of a public duty and private or personal interests. Conflicts of interest may be actual, be perceived to exist, or potentially may exist at some time in the future. Whilst it is not always possible to avoid a conflict of interest, appropriately identifying and dealing with the situation can mitigate any potential problems

## 8. Document Summary

<b>Coverage</b>	WACHS-Wheatbelt
<b>Audience</b>	All staff involved in administration of donations
<b>Records Management</b>	Non-Clinical: <a href="#">Records Management Policy</a>
<b>Related Legislation</b>	<a href="#">Health Services Act 2016 (WA)</a> <a href="#">Financial Management Act 2006</a> <a href="#">Government Financial Responsibility Act 2000</a>
<b>Related Mandatory Policies / Frameworks</b>	<a href="#">Financial Management Policy Framework</a>
<b>Other Related Documents</b>	<a href="#">WA Health Chart of Accounts Manual</a> <a href="#">WA Health Financial Management Manual</a>
<b>Related Forms</b>	<a href="#">Request for Expenditure of Donations Funds Form</a> <a href="#">Donation Acknowledgement Letter</a> <a href="#">Donation Acknowledgement Letter (Specific Purpose)</a> <a href="#">Declined Donation Acknowledgement Letter</a> <a href="#">Donation Evaluation Form (Donation of Goods)</a> <a href="#">Donation Evaluation Form (Cash Donation)</a>
<b>Aboriginal Health Impact Statement Declaration (ISD)</b>	The completion of an <a href="#">Aboriginal Health Impact Statement and Declaration (ISD)</a> is required for all new and revised policy documents. For further information, please see the <a href="#">ISD Guidelines</a> . ISD Record ID: 1992
<b>National Safety and Quality Health Service (NSQHS) Standards</b>	1.01

## 9. Document Control

Version	Published date	Current from	Summary of changes
1.00	November 2017	November 2017	Original
2.00	15 February 2023	15 February 2023	Review and transfer to new policy document template

## 10. Approval

<b>Policy Owner</b>	Regional Director
<b>Co-approver</b>	Director Business Services
<b>Contact</b>	Business Manager
<b>Business Unit</b>	Business Services
<b>EDRMS #</b>	ED-CO-17-70821
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