

*ATTACHMENT A including  
financial statements*

# Contents

---

<i>Proposal</i>	4
<i>Our organisation</i>	6
<i>Structure</i>	8
<i>Governance arrangements</i>	9
NFAW Limited Board	9
Committees of the Board	10
Financial stewardship and office management	11
Website	11
<i>Preferred donor arrangements</i>	13
<i>Australian Women’s Archives Project</i>	14
AWAP funding sources	14
AWAP’s impact	16
AWAP’s sustainability	17
<i>National History Challenge Committee</i>	18
Impact of NHC sponsorship	18
NHC sponsorship sustainability	18
<i>Social Policy Committee</i>	20
Impact of the Social Policy Committee	21
Sustainability of the SPC	22
<i>Women on Boards</i>	23
Impact of Women on Boards	23
Sustainability of Women on Boards	23
<i>NFAW’s resource base</i>	24
Human resources	24
Financial resources	24
<i>Donations</i>	26
Funding for Australian Women’s Archives Project	26
Funding for the National History Challenge sponsorship	27
Funding for the Social Policy Committee	27
Funding for NFAW	27

<b><i>Risks and risk management</i></b> _____	<b>29</b>
<b><i>Sources of support for NFAW</i></b> _____	<b>31</b>
<b>Sponsorship</b> _____	<b>31</b>
<b>Donations and bequests</b> _____	<b>31</b>
<b>Organisational membership</b> _____	<b>31</b>
<b><i>Glossary</i></b> _____	<b>33</b>
<b><i>Appendix A</i></b> _____	<b>34</b>
<b>Women’s groups supported through preferred donor funds</b> ____	Error! Bookmark not defined.
<b><i>Appendix B</i></b> _____	<i>Error! Bookmark not defined.</i>
<b>2007 Financial statement</b> _____	Error! Bookmark not defined.

# Proposal

---

NFAW, a nationally based feminist organisation, is seeking donors willing to underwrite its activities. The major activities currently comprise a register of women giving access to their archives, social policy, sponsorship of a women's category of the National History Challenge and capacity development.

- The Australian Women's Archives Project (AWAP) is a joint project with the University of Melbourne. Its principal output is a web based register that records brief biographies of Australian women and women's organisations and identifies where relevant source material is kept. The register, which commenced in 2000, now has nearly 3,500 entries on the website and in 2008 received an average over 42,000 visitors per month. The project also brokers arrangements with archival institutions for archival of material still in private hands
- The work of the Social Policy Committee (SPC) is focussed on the impact of government policies on the status and well-being of women and girls. The SPC is firmly committed to evidence-based policy and engages research from leading academics to assist in its considerations. The SPC initiates work, responds to Parliamentary inquiries, and works collaboratively with a wide range of like minded organisations. Areas of particular interest at present include Australia's future tax system, including reform of superannuation, a future national women's health strategy, out of school hours and school vacation care for school age children, paid maternity leave and pay equity.
- NFAW sponsors the Women's Prize for the National History Challenge. An annual event, the National History Challenge is a research-based competition for school children (upper primary and secondary), and NFAW sponsors a special category with a focus on women.
- The NFAW assists like minded organisations to engage in tax-effective fund-raising for their activities, similar to the support for local groups provided by the community foundation sector.
- The work of NFAW is dependent on an effective, financially viable organisation. NFAW is therefore seeking funds for capacity building, primarily to build up our membership base through targeted promotion and marketing by engaging a part time CEO for two days a week, and to develop our website (which attracted on average over 4,500 visitors per month in 2008) by engaging a website manager for one day a fortnight.

In the past, both Commonwealth and State governments and private institutions and individuals have funded specific projects for both AWAP and the SPC. Sponsorship of the National History Challenge has been funded by individual donations. A percentage ranging from 5-16% of funds have been allocated to managing and marketing NFAW.

NFAW is also one of the founders of Women on Boards, which commenced as a project of the National Foundation for Australian Women, the Foundation for Australian Agricultural Women and a number of other women's organisations in 2001. This project also received support from the Federal Office for Women under their Development Grants Programs.

In 2006 Women on Boards moved from being a project of these organisations to an entity in its own right, with a board and shareholders. The entity is called WOB Pty Ltd, trading as Women on Boards. WOB Pty. Ltd. continues to work in association with NFAW, and the two organisations are mutually supportive.

# Our organisation

---

The National Foundation for Australian Women (NFAW) was founded in 1989 through a bequest of \$100,000. The company, NFAW Ltd., was incorporated in 1990. NFAW's objectives are:

- To advance and promote the interests of Australian women
- To record and make accessible the histories of Australian women
- To ensure women's achievements are handed on to future generations.

The NFAW's founding sponsors included many of Australia's leading women, including Elizabeth Evatt, Rhonda Galbally, Dame Margaret Guilfoyle, the Hon Dame Roma Mitchell, Elizabeth Reid and Margaret Whitlam.

Donations to NFAW are tax deductible. NFAW is one of the few broadly focused organisations promoting the advancement of women that has tax-deductible status under the Income Tax Assessment Act. NFAW company is not exempt from income tax although its Education and Research Trust is tax exempt.

NFAW is able to share its tax-deductible status with affiliated women's organisations whose objectives are consistent with NFAW's, in accordance with Tax Office rulings on preferred donor arrangements. This means that tax-deductible donations can be made to the NFAW, with donors expressing a preference about the purpose for which their donations are used.

NFAW's preferred donor funds currently include organisations such as the Women's International League for Peace and Freedom, Women's History Month, Marian Eldridge Award for aspiring women writers and the Holroyd High Refugee Girls Fund. A full list of preferred donor arrangements is at Appendix A.

Through its Social Policy Committee, NFAW has been actively involved in research and comment on public policy issues of relevance to women including health, industrial relations, welfare to work policies, paid maternity leave and pay equity. Much of the work has been done in conjunction with coalitions involving a broad range of women's organisations.

Another significant project, commenced in 2000, is the Australian Women's Archives Project. This is a joint project with the University of Melbourne which recognises the contributions women have made to Australian society by encouraging them to preserve and making accessible their records through a searchable on-line Register-[www.womenaustralia.info](http://www.womenaustralia.info).

NFAW benefits from a royalty agreement with Women on Boards, which commenced in 2001 as a project of NFAW and a number of other women's organisations. Women on Boards encourages women to seek appointment to Boards. In 2006 Women on Boards

moved from being a project of these organisations to an entity in its own right, with a board and shareholders.

NFAW's membership is growing, and its activities are expanding through government grants and grants from charitable organisations and individuals.

We now seek to attract donations to continue to expand our core areas of activity and to put the organisation on a secure financial footing.

# Structure

---

NFAW comprises an Association of members, and a company limited by guarantee.

Membership of the Association is open to anyone interested and willing to pay the annual membership fee. Association members have the right to nominate four members to the Board of NFAW Ltd. Membership of the Association is strongest in NSW, Victoria and the ACT with small numbers in the other states and the NT.

NFAW Ltd manages the finances and administration of NFAW, and company members comprise the Board Directors of the day, plus some founding members and previous Directors who have been invited to remain members of the company.

At its inception, two Trusts were established: the Pamela Denoon Trust and the Education and Research Trust. The Pamela Denoon Trust made many grants over the 15 years of its existence to fund research, educational projects and other activities of NFAW such as the Australian Women's Archives Project. That Trust was wound up in 2005.

The Education and Research Trust continues in existence, NFAW Ltd being the Trustee.



# Governance arrangements

## NFAW Limited Board

The Constitution of NFAW Limited sets out its objectives (Clause 1.1, Purpose of Company); it provides for the appointment of Directors (Clause 8) and their powers and duties (Clause 9).

The Constitution provides for not less than three, nor more than twelve, Directors. The company elects eight Directors, and the Association nominates four Directors.

At each AGM one third of Elected Directors, and any other Director who has held office for three years or more since last being elected, must retire from office. Elected Directors can stand for re-election two times consecutively, but not more than two times unless the Company at a general meeting first approves the further term.

Nominated Directors hold office for three years and may not be appointed for more than two consecutive terms.

Efforts are made to have a range of professional skills on the Board as well as members from several States. Current Board members are listed below.

Name and Office	Year appointed	Committee membership
Kate Gunn, President	2003	
Jenni Colwill, Deputy President	2005	Management Committee AWAP Management Committee Marketing Committee Social Policy Committee National History Challenge
Kate Bosser, Secretary	2005	Management Committee
Molly Lee, Treasurer	2008	Management Committee
Anne Buttsworth	1999	Management Committee AWAP Management Committee Social Policy Committee
Susan Forrester	2007	Marketing Committee
Professor Patricia Grimshaw	2003	AWAP Management Committee
Ruth Medd	1997	Management Committee AWAP Management Committee
Georgina Somerset	2007	AWAP Management Committee Marketing Committee Management Committee

Alexandra Wedutenko	2004	Management Committee
Vicki Buchanan	2008	Marketing Committee
Jacqueline Woodman	2008	Marketing Committee

## Committees of the Board

The Board may form Committees of the Board to manage its projects.

Each committee includes a minimum of one Director of NFAW. Each year, the Committee Chair is appointed at the first Board meeting held after the AGM, or by a decision of the Executive when the position becomes vacant.

Membership of committees is determined by the Chair of the committee, in cooperation with the appointed Director(s).

### Management Committee

The Management Committee comprises at least three Directors including the Treasurer and Secretary, the editor of the newsletter and representatives from other Board committees.

This Committee oversees administrative matters such as membership, insurance and production of newsletters. It also has an important financial role. Among other financial matters, the Committee monitors income and approves expenditure including approving grants to and from preferred donor funds. It assesses applications for the establishment of preferred donor funds, and makes recommendations to the Board. The Management Committee meets up to six times per year.

### Marketing Committee

This Committee manages fund-raising, marketing, media and communications (including the website) for the Board. It aims to promote NFAW's goals and activities and to increase membership. This Committee manages NFAW's image, educates the public about NFAW activities and identifies ways to raise funds, and meets three times per year.

### Australian Women's Archives Project (AWAP) Management Committee

This committee manages AWAP, a joint project with the University of Melbourne. AWAP aims to encourage Australian women and their organisations to preserve their records and make them publicly accessible. It has created an on-line Register containing biographical data about Australian women and their organisations, with hyper-links to the archival repositories where their records are held and to other sources of information. The Committee normally meets three times a year.

Local AWAP committees have also been established in New South Wales, Victoria and the ACT and meet on a regular (normally monthly) basis.

## **Social Policy Committee (SPC)**

This committee assists NFAW to make an evidence-based contribution to informing public debate, consistent with the NFAW objective of contributing to the advancement of women. The policy stance of NFAW is always non-partisan and non-Party politically aligned. The Committee develops an annual work program with flexibility to change priorities in order to respond effectively to the changing public policy environment. The committee meets in Canberra on a monthly basis and has a number of corresponding members with particular expertise in public policy issues of interest to the SPC.

## **National History Challenge Committee (NHCC)**

NFAW is proud to sponsor the National History Challenge, and this Committee manages NFAW's sponsorship. Each year, the History Teachers' Association conducts the National History Challenge, a research based competition for school children (upper primary and secondary level), and NFAW sponsors a special category with a focus on women. The NHC theme for 2008 is *Australia Meets the World*. The theme for our category was *Australian Women Contributing Overseas*.

NFAW's National History Challenge Committee meets three times a year and provides suitably qualified women to judge the entries for our category of Women in each of the States, and in the ACT.

## **Financial stewardship and office management**

NFAW does not employ any staff but engages relevant organisations to assist with its administration.

The Treasurer provides the Management Committee and the full Board of Directors with regular financial reports comparing financial results to budgets and reporting on assets.

The accounts of NFAW are audited each year by external auditors on a pro bono basis, in accordance with section 327(7) of the Corporations Act 2001. The auditors since 2007-08 are Deloitte. RSM Bird Cameron performs bookkeeping services for NFAW.

The Well Done group, based in Nowra, issue tax deductible receipts to donors and keep track of donations to preferred donor funds (PDFs), provide telephone answering facilities, manage the membership base and perform other office functions on a contract basis.

Receipts are automatically issued for online donations and membership payments made through the NFAW website.

## **Website**

The NFAW website is maintained by one of the Directors, Jenni Colwill on a voluntary basis. The website is hosted by Jumba, and uses a SilverStripe content management system. NFAW owns the domain names NFAW.org, nfaw.org.au, womenaustralia.info, 2020women.org and 2020women.org.au. The 2020 women.org domains have not yet been used.

Media releases, reports, upcoming events and a blog are published on the website, and online payments are available for donations, membership fees and events.

Further work is required to establish 'member's only' access to parts of the website which will permit online management of membership lists.

# Preferred donor arrangements

---

NFAW is the only broadly focused women's organization to have Deductible Gift Recipient status in its own right, through its listing as item 4.2.3 in Section 30.45 of the Income Tax Assessment Act 1997.

NFAW encourages other women's organizations or projects to access this assistance to tax-effective fund raising through the NFAW Preferred Donor Arrangements.

Projects and organisations whose objectives are consistent with NFAW's can seek the Board's agreement to a preferred donor arrangement. Once agreed, tax-deductible donations can be made to NFAW, with donors expressing a preference about the particular fund or purpose for which their donation is to be used.

These preferred donor arrangements suit organisations and individuals who do not have large financial resources at their disposal. Most of the donor funds now established have funds in the range of \$5,000 to \$40,000.

NFAW charges each organisation a small donation handling fee (7%) and 10% of the interest earned on invested preferred donor funds.

There are currently 13 preferred donor arrangements in place (see Appendix A). These cover a wide range of activities including educational support for refugee girls, support for emerging women writers, reproductive health, indigenous youth performing arts and well known organisations such as the Queen Victoria Women's Centre Trust, and the Women's Electoral Lobby.

NFAW advertises via the website and in brochures that preferred donor arrangements are available for approved organisations. Tax deductibility is clearly very attractive for organisations seeking to raise money through donations and the NFAW arrangements are particularly useful for small organisations.

# Australian Women's Archives Project

---

NFAW established the Australian Women's Archives Project (AWAP) in 2000, to enhance public knowledge and appreciation of the contribution women and their organisations have made to Australia. To do this, the Project encourages Australian women and their organisations to preserve their records and to make them more accessible to the public.

The goals of AWAP over the next three to five years are:

- To be the premier access point for information and resources about women's contribution to Australian society. This will be achieved primarily through the searchable on-line register of AWAP found at [www.womenaustralia.info](http://www.womenaustralia.info).
- To encourage women and women's organisations to protect their records and deposit them with collecting institutions.
- To undertake and publish original research about Australian women's history.
- To develop technologies to support on-line communities of historians.

The AWAP register is a joint project of the NFAW and the University of Melbourne. Staff in the School of Historical Studies provide leadership in the area of historical research and research fellows in the eScholarship Research Centre provide technical innovation and support for the project.

The on-line register is a valuable and growing source of biographical data about Australian women and their organisations. The register contains hyper-links to the archival repositories where records are held and to other sources of information. This helps researchers to access original records and published resources for further historical work.

## AWAP funding sources

### Australian Research Council Grants

The School of Historical Studies at the University of Melbourne was awarded an Australian Research Council (ARC) grant in 2003/04 totalling approximately \$200,000. This involved 11 participating academic institutions and industry partners, with NFAW being one of the industry partners. Professor Patricia Grimshaw, an NFAW Director, led the grant. It enabled substantial work on adding entries to the register and tracing women's archival collections.

A second ARC grant (totalling approximately \$340,000 with contributions from supporting partners) was awarded in 2008. NFAW is again an industry partner. This grant will support 18 partners collaborating to develop tools to support historical researchers in the field, as well as a public portal and content for the on-line register.

An ARC grant of \$70,000 (with NFAW as an industry partner) was also awarded to a woman student at the University of Melbourne to contribute to funding of her PhD scholarship on the nature of Australian women's philanthropic giving.

### Other funding sources

Another important source of funding has been through the showcase section of the on-line register, which recognises particular groups of women. The primary funding sources of these exhibitions are:

Exhibition	Year	Principal Source of funding (a)	Amount
<i>Faith, Hope, Charity</i> - Women Recipients of Imperial Honours	2001/02	Federal Office of the Status of Women	\$60,000
Women in Science	2002/03	Federal Office of the Status of Women	\$50,000
Australian Women in War	2002/03	Department of Veterans' Affairs and Federal Office of the Status of Women	\$27,000
Australian in my Difference: Women and migration in Australia since 1945	2004/05	Department of Immigration and Ethnic Affairs	\$5,000
Putting Skirts on the Sacred Benches – Women Candidates for the NSW Parliament	2004/05	NSW Government Sesquicentenary of Responsible Government Committee	\$25,000
Women in the Making of Canberra	2005/06	ACT Heritage grant	\$6,830
She's Game – Women Making Australian Sporting History	2005/06	Federal Office of the Status of Women	\$35,840
Putting Skirts on the Sacred Benches – Women Candidates for the NSW Parliament (updating entries)	2007/08	NSW Department of Premier and Cabinet – Office for women	\$5,000
Representative women – Victorian women parliamentarians since 1923	2008	Victorian Government (Department of Planning and	\$8,000

The Women's Pages: Australian Women and Journalism since 1850	2007/08	Community Development) Copyright Agency Ltd	\$43,750
Carrying on the fight: Women Candidates in Victorian Parliamentary Elections	2008	University of Melbourne	\$8,000

(a) AWAP has contributed funds as well as support to most exhibitions.

Other funding sources for AWAP include:

- The University of Melbourne made a substantial contribution in the start-up phase and continues to provide office space and equipment. The University's contribution totals \$45,000 plus in-kind support.
- The Myer Foundation (\$40,000).
- Individual donations (\$72,500).
- Fundraising activities ((\$20,000)).

## AWAP's impact

Since commencing in 2000, the AWAP register has grown significantly to 4,300 entries with references to over 2,200 archival/heritage sources and over 4,300 published sources. There are 13 exhibitions in the online AWAP showcase, and others in development. 40,000 visits are made to the website each month. The register is a significant tool for those researching Australian women's history, whether they are academics or school children.

Its standing is reflected in the fact that it has received two highly sought after ARC grants as well as funding from Federal and State governments.

The National Library of Australia has also been a strong supporter of AWAP. AWAP has been identified as a target for 'People Australia', the working title of a service currently under development by the Library. Based on the Australian Name Authority File, a resource derived from the shared online cataloguing done by Australian libraries since 1980, People Australia aims to provide one-stop (portal) access to information about Australians who have entries in Libraries Australia, the database of holdings of all Australian libraries. This information will be re-purposed and integrated with the data in specialised online biographical services including the AWAP register.

Inclusion in the future People Australia service is likely to greatly enhance the visibility of the AWAP register and also enrich the information that can be provided about many of the women who are the subjects of register entries.

Input from our partner, the School of Historical Studies at the University of Melbourne, has ensured high academic standards are maintained both in the AWAP showcases and the individual entries. Technical innovation and support from the University's eScholarship Research Centre have provided a website of world standard.



## **AWAP's sustainability**

To ensure its sustainability, AWAP needs an assured source of funding to enable it to continue to employ a part-time Executive Director. It cannot rely on volunteers although their contribution will continue to be essential. To date, the salary of the Executive Director has been substantially funded by specific purpose grants. This is unsatisfactory in the medium to long term, partly because of the uncertainty of these grants and partly because of the need to have some untied funding to ensure maintenance of the register, particularly updating of entries. Additionally it is undesirable for our research priorities to be determined too much by the terms of the grant programs for which we are eligible to apply.

NFAW aims to develop sufficient funds to ensure continuing employment of the Executive Director.

Our funding strategy is therefore to:

- Continue to apply for grants to extend the coverage of the register
- Build up our own funds to enable us to provide certainty in employment for our Director, focus on our own priorities and undertake ongoing maintenance and updating of register entries and the website.

# National History Challenge Committee

---

NFAW is proud to sponsor the National History Challenge, and this Committee manages NFAW's sponsorship. Each year, the History Teachers' Association conducts the National History Challenge, a research based competition for school children (upper primary and secondary levels), and NFAW sponsors a special category with a focus on women. The NHC theme for 2008 was *Australia Meets the World*. The theme for our category was *Australian Women Contributing Overseas*.

The NFAW National History Challenge Committee takes responsibility for raising sponsorship funds for the challenge each year. Major sponsors include the National Museum of Australia, the National Library of Australia, the Australian War Memorial and Old Parliament House, who each contribute over \$10,000 each year. However, as the organisers of Challenge are very keen to have a category of Women, they have agreed to include NFAW as a minor sponsor.

National Judging is undertaken by the National History Teachers Association in October and the final presentation to category winners and to the Young Historian of the Year is made by the Federal Minister for Education in Parliament House in November with all prizewinners present.

## Impact of NHC sponsorship

History teachers at secondary schools throughout Australia encourage their students to enter the National History Challenge. All students who participate in the National History Challenge receive a Certificate of Participation. Each Australian State and Territory has a coordinator, and State and Territory judging is undertaken locally. The National Judging takes place in October to determine category winners and the Young Historian of the Year finalists. From these finalists, the Young Historian of the Year is chosen. The prizes are presented to the winner at Parliament House, Canberra.

Including a women's category in this competition has a significant impact, raising the awareness of Australian school children of the role played by women in Australia's history.

## NHC sponsorship sustainability

To ensure its sustainability, this project needs an assured source of funding to enable it to continue to sponsor the women's category of the National History Challenge.

NFAW aim is to develop a pool of funds that will ensure continuing sponsorship of the project, to enable NFAW to offer the same funding level as other NHC sponsors and to pay for an NFAW judge to attend regional/State judging.

Our funding strategy is therefore to continue to seek donations to maintain annual sponsorship of the project.

# Social Policy Committee

---

From inception, NFAW intended to explore aspects of social policy and produce resources to support the women's movement. As an entirely non-political, non-partisan organisation, NFAW is able to examine different policies against our stated basic principles. Early work included papers on indigenous women's issues, and the 1989 National Women's Conference.

In 2004 the NFAW Board of Directors approved the establishment of a Social Policy Committee of the Board. The committee is based in Canberra with corresponding members interstate. It is convened by Marie Coleman, a former senior public servant who headed the Social Welfare Commission established under the Whitlam government and the Office of Child Care established under the Fraser government.

The Board approves the SPC work program and authorises its public statements. The SPC develops the work program annually, which frequently results in cooperating with other bodies, as well as taking separate action.

NFAW is on two of the Secretariats funded for women's organisations by the Federal Office for Women: Womenspeak and Security4Women.

Since 2004, NFAW has played an influential role through the work of the SPC in the following public policy debates:

- Health future (2005);
- Access to pregnancy termination and the approval process for RU486 (in collaboration with the Public Health Association of Australia and the Australian Reproductive Health Alliance);
- Changes to the industrial relations system and welfare support for people of working age (2006-7);
- Paid maternity leave 2006-7-8-9;
- National Women's Health Strategy 2009
- Out of School Hours and Vacation Care 2008-9
- Australia's Future Tax System and
- Pay equity.

The SPC is a member of the Education and Training Working Group established by Security4Women and with other women's groups has established a gender and statistics working group which encouraged the Australian Bureau of Statistics to hold a pay equity statistics workshop in 2008

The SPC works collaboratively and closely on relevant issues with statutory bodies such as the New South Wales Commission for Children and Young People, and the Australian Human Rights Commission.

The debates about Welfare to Work and WorkChoices policies were conducted through a consortium of 64 national women's organisations, arranged through the national women's secretariats. Through the SPC, the NFAW raised money and commissioned research from leading academics to examine the impact of the revised government

policies. The outcomes of this research were important in the public debate on these policies.

NFAW has had a long-standing interest in the impact of government policies on the health and welfare of women and girls and is firmly committed to the principle of evidence-based policy. In response to the government's request for submissions for the 2008 budget, NFAW presented submissions on three topics:

- Wage equity
- Paid maternity leave
- Child abuse and neglect

During the 2007 election, NFAW campaigned to introduce paid maternity/parental leave in Australia, supporting the right of women not to have to work when they have a new baby. Specifically, NFAW asked for the following:

- Establishing an expert committee to examine and advise on the options to achieve a cost-effective universal system of paid maternity and parental leave for Australian families;
- Publishing the report of the expert committee and
- Implementing the recommendations of the expert committee within two years.

The current government has now asked the Productivity Commission to look at the economic and social costs and benefits of paid maternity, paternity and parental leave. The NFAW has provided a submission to the Commission and has appeared before it.

In 2009 the Office for Women has asked the Chair of the Social Policy Committee to lead a project to engage women in the Henry Review of Australia's Future Tax System. The project is managed through the WomenSpeak Alliance, with a Reference Group of representatives of the four federally funded national Women's Alliances ( WomenSpeak, S4W, Australian Women's Coalition, and Australian Rural Women's Coalition); an NFAW Steering Group which includes representatives of the Australian Human Rights Commission and the YWCA of Australia, together with independent experts on tax and communication. A submission was made on reform of superannuation, and a further submission on gender equity in taxation is in preparation. A public education campaign through the web-site and public opinion polling in alliance with a consortium of groups is also in place in early 2009

## **Impact of the Social Policy Committee**

Since its commencement in 2004, the SPC has had a significant impact on public policy debate, particularly in the areas of industrial relations (WorkChoices and Welfare to Work), paid maternity leave and pay equity. It has worked effectively with other women's organisations and has raised funds to commission academic research for input into the public debate as well as commissioning research through Newspoll and Auspoll surveys.

A number of members of the SPC have significant experience in government and a sound understanding of machinery of government arrangements. This is particularly useful in working effectively with government organisations e.g. Office for Women, Australian Bureau of Statistics, Productivity Commission, Australian Human Rights

Commission, Equal Opportunity for Women in the Workplace Agency, New South Wales and Queensland Commissions for Children and Young People.

## **Sustainability of the SPC**

The Social Policy Committee's work depends on producing credible research. While the current Chair of the Committee, Marie Coleman, has a high level of personal credibility, continuously producing credible research is necessary to sustain the work of this Committee.

As the work of this Committee seldom attracts grant funding, NFAW aims to raise sufficient funds through donations to ensure a high standard of research can be conducted. Much of this work will be coordinated through the NFAW website, taking full advantage of the high number of visits.

# Women on Boards

---

Women on Boards commenced as a project of the National Foundation for Australian Women, the Foundation for Australian Agricultural Women and a number of other women's organisations in 2001. It grew from the volunteer efforts of a number of people from within these organisations. The project also received support from the Federal Office for Women under their Development Grants Programs.

In 2006 Women on Boards moved from being a project of these organisations to an entity in its own right, with a board and shareholders. The entity is WOB Pty Ltd, trading as Women on Boards. This will enable it to improve the level of service and continue to grow its capacity to influence public, private, not-for-profit and Government boards.

Women on Boards is a national program to improve the gender balance on Australian company boards. It has 6,000 plus subscribers to its website from all sectors and industries, including rural, mining and the public service. The network has many qualified, female executives from legal, financial, IT, sales and marketing, human resources, business development and project management backgrounds who are looking for a board career.

Women on Boards acts in conjunction with many professional women's organisations as well as the corporate, government, not-for-profit and sports sectors to hold events, create opportunities for women, mentor women into directorships and ensure a high level of dynamic interaction across its large and influential network.

Women on Boards continues to support NFAW financially.

## Impact of Women on Boards

As a measure of its effectiveness it conducts the WOB Survey. Results from 2006 compared to the 2005 Survey indicate that WOB materially assists WOB members to get onto boards. WOB operates on the demand as well as the supply side; this being essential to raise awareness and encourage innovation in selecting board members.

## Sustainability of Women on Boards

Women on Boards has been licensed to the company WOB Pty Ltd and is now self sustaining.

# NFAW's resource base

---

## Human resources

Although the NFAW does not employ staff itself, it has contracted certain services. NFAW also relies to a great extent on the volunteer work of the Directors and other members. The following arrangements are in place.

### Accounts and bookkeeping

RSM Bird Cameron provides accounting services during the financial year. The Treasurer prepares the financial statements and liaises with the auditors Deloitte.

### Office support

The Secretary manages correspondence and maintains records of donations to Preferred Donor Funds based on material supplied by Well Done, the contracted service provider.

### Australian Women's Archives Project

The University of Melbourne employs the Director of AWAP, Dr Nikki Henningham. NFAW contracts with the University to engage Dr Henningham for one day a week. Occasionally research assistants are engaged for specific projects. Normally these are also employed through the University.

### National History Challenge Committee

To date the Committee has been managed on an entirely voluntary basis, with costs (such as travel) drawn from the donations of the volunteers.

### Social Policy Committee

On a number of occasions the Committee has engaged researchers on a contract basis to undertake specific research tasks associated with the public policy issues of interest to the Committee. These researchers are normally academics working in relevant fields.

## Financial resources

NFAW's operating budget is provided by membership fees, donations and by the 7% PDF Donation Handling Fee as well as project management fees of between 5-16% in relation to grants. There is also a royalty agreement with WOB Pty Ltd (5% of revenues).



The major operational expenses are payment of Well Done for administrative support, insurance premiums and payments for accounting and (some) audit services.

The 2008 Financial Statements are at Appendix B.

# Donations

---

NFAW is seeking donors to underwrite us over the next five years. \$385,000 per annum over five years is sought, which will be used to develop four areas of NFAW's work: AWAP, SPC, sponsorship of the National History Challenge and capacity building.

The funds would be distributed as follows:

AWAP	\$200,000
Social Policy Committee	\$120,000
Sponsorship of the National History Challenge	\$15,000
Capacity building (marketing, website management)	\$50,000

Our future aim is to establish a reserve fund of \$3m to ensure future financial sustainability.

## Funding for Australian Women's Archives Project

AWAP has performed extraordinarily well since its inception just eight years ago. In particular, NFAW recognises the critical importance to its survival of the University of Melbourne and the employment of a qualified Executive Officer through the University.

NFAW's aim has crystallized for AWAP – we want to create a high quality website with listings prepared in accordance with professional academic standards. We have been very fortunate to have Dr Nikki Henningham as our Executive Officer and she has brought both enthusiasm and professionalism to the position as well as a lot of unpaid hours. From time to time a Research Assistant has supported her. These have been PhD students or graduates in history from the University of Melbourne.

Dr Henningham used to be employed for 2 days a week but now only works one day a week. This level of support is not enough to sustain the project. Our aim is to have sufficient funding to support an Executive Officer for three days a week with a Research Assistant for two days a week. The Research Assistant can assist the Executive Officer with specific projects and original research as well as maintenance of the Register.

The annual costs of such an arrangement would be:

Executive Officer	\$90,000
Research Assistant (with PhD)	\$65,000
Other costs (travel, equipment etc)	\$15,000
<b>Total</b>	<b>\$165,000</b>

How could we finance this level of support? NFAW has been successful with grants and will continue to apply for these. However grants do not provide a guaranteed funding source. Grants are also structured to meet the objectives of the funding source and as a result do not provide the flexibility to determine our own priorities. Grants are also made for specific purposes and funding for maintenance of the Register, which is an essential task, is more difficult to source through grants.

NFAW is seeking sponsorships of \$200,000 per annum for AWAP for the next five years. This will cover annual operating expenses over this period and enable a minimum of \$175,000 to be invested to cover future years.

## **Funding for the National History Challenge sponsorship**

NFAW members undertake the work of the NHC on a voluntary basis. This project is a high profile project, which encourages young people to research the backgrounds of significant Australian women.

NFAW would like to ensure the sponsorship of the women's category is funded to the same level as other NHC categories, and fund participation in regional/State judging for the prize.

The annual costs of this arrangement would be \$15,000.

## **Funding for the Social Policy Committee**

Members of the NFAW undertake most of the work of the SPC on a voluntary basis. A number of these have significant expertise, particularly in the areas of social welfare, health, education and industrial relations. This knowledge is supplemented through working with other women's organisations and through liaison with government organisations and academics.

In assisting the NFAW to make an evidence-based contribution to informing public debate, the SPC has found it helpful to commission research from leading Australian academics and to conduct surveys on specific issues.

NFAW would like to develop the social policy pages on the website further, using a user-friendly graphical interface, providing discussion forums, polling tools and sophisticated questionnaire designs with integrated databases and analysis.

NFAW is seeking \$120,000 per annum over the next five years for the SPC.

## **Funding for NFAW**

To fund its operating expenses, NFAW attracts income from membership fees, royalties from WOB, donations from benefactors, fees (donation handling and project management fees) and fundraising activities. This does not provide sufficient finances to grow the business.

Website development and maintenance are managed by one of our Directors, free of charge. This work has increased significantly over the last few years, and the current arrangements are unlikely to be viable into the future.

A larger membership base and an increase in our preferred donor arrangements would improve our financial sustainability.

NFAW seeks \$50,000 per year for the next five years to:

- Engage a part-time CEO for two days per week, responsible for building the membership and PDF arrangements through better promotion and marketing;
- Engage a website manager for one day a fortnight.

# Risks and risk management

The following table provides an indication of the risks in NFAW's operations and control strategies to manage these risks:

Risk	Severity / Likelihood	Control strategies
Corporate governance failures	Low/Medium	NFAW has a mix of directors, a number of whom sit on commercial boards. Recruitment of directors is done against agreed selection criteria using a range of sources.
Significant decline in revenues - Members - PDFs - Fund raising activities	Medium/Low	<b>Members:</b> Prominence of NFAW in social policy field and AWAP is attracting members. In 2008 the website was upgraded to facilitate membership recruitment. This is proving effective.  <b>PDFs:</b> Most PDFs have been associated with NFAW for a number of years and are reasonably active, one or two very active. The rate of new PDF's is consistent with past years.  <b>Fund raising:</b> This is becoming a more reliable source of revenue, e.g. Canberra Winter Tales series, ANZ Seminar series, Women on Boards
Failure of financial oversight	Medium/Low	NFAW's treasurer is CPA qualified. Book keeping services are outsourced to RSM Bird Cameron. Audits done by KPMG for past 5 years, Deloitte from 2008/09.
Fraud	Medium/Low	Management Committee is delegated by the Board to authorise payments. Controls are reviewed regularly to ensure chance of fraud is minimised. Moneys are received and receipted by outsourced provider.
Failure to	Low/Low	NFAW has received many grants

Risk	Severity / Likelihood	Control strategies
manage grants in accordance with grant agreement		over the years and has a successful track record in their management and acquittal. Project managers are selected (voluntary) for their expertise.
Withdrawal of services by outsourced service providers	Low/Low	There are many other providers in relevant areas. Market testing is done regularly.
Political risks	Medium/Low	There could be political risks associated with the Social Policy Committee. However the NFAW is non party political and every care is taken in our research work and policy papers to avoid political partisanship
Loss of tax deductibility status	High/Low	The PDF arrangements would no longer be relevant without tax deductibility status. This loss would also have a significant impact on our ability to attract donors

# Sources of support for NFAW

---

## Sponsorship

- Sponsor's logos will be placed on the front pages of the NFAW and the Women's Archives websites with acknowledgement of the sponsorship.
- Benefits from attending networking events - two complimentary entries to NFAW events
- Recognition in email communications sent to NFAW members
- Regular newsletters and updates
- Use of NFAW logo on internal newsletters

Approximately 50,000 individual visitors look at the NFAW and AWAP websites each month. Half of them are in the USA, and a little less than half in Australia. The average visit is over 200 seconds, with a high proportion of visits lasting over fifteen minutes. Of those who view these websites, more than half add NFAW and AWAP as a favourite link on their computer.

---

Contact	Jenni Colwill	<a href="mailto:jcolwill@nfaw.org">jcolwill@nfaw.org</a>	02 6238 3421
---------	---------------	--	--------------

---

## Donations and bequests

NFAW has had a long history of benefiting from donations and bequests from women philanthropists. These are often women who have a strong concept of their community and the changes they would like made. Some are businesswomen who understand the difficulties of running organisations without steady funds. Many of them are well-informed women who have learnt about our activities and projects through our website (<http://nfaw.org/>).

Recently we have introduced a benefactor scheme which enables people and organisations to pledge funds to NFAW each year over a five year period.

---

Contact	Jenni Colwill	<a href="mailto:jcolwill@nfaw.org">jcolwill@nfaw.org</a>	02 6238 3421
	Kate Bosser	<a href="mailto:nfaw@nfaw.org">nfaw@nfaw.org</a>	02 6249 8463

---

Donations are tax-deductible. Donations may also be given online [www.nfaw.org](http://www.nfaw.org)

## Organisational membership

Organisational membership is available for \$250 for not-for-profit organisations, and will be negotiated on a case-by-case basis for other organisations. The benefits of organisational membership include:

- Regular newsletters and updates which can be passed on to all staff
- Use of NFAW logo on internal newsletters
- Benefits from attending networking events

---

Contact   Kate Bosser   [nfaw@nfaw.org](mailto:nfaw@nfaw.org)   02 6249 8463

---



# Glossary

---

AWAP	Australian Women's Archives Project
NFAW	National Foundation for Australian Women Ltd
NHC	National History Challenge
SPC	Social Policy Committee
PDFs	Preferred Donor Funds
WOB	Women on Boards

# Appendix A

## Women's groups supported through preferred donor funds

### Australian Reproductive Health Alliance

ARHA is a non-profit advocacy and educational organisation that was established following the 1994 International conference on Population and Development (ICPD).

ARHA monitors the Australian Government's commitment to the ICPD and raises awareness in the community about population, development and reproductive health issues. ARHA works through parliamentary advocacy, conference organisation and prepares briefing materials, submissions, articles and papers.

ARHA is a member of the Australian Council for International Development (ACFID) and also has special NGO consultative status with the Economic and Social Council of the United Nations (ECOSOC).

### Australian Women's Archives Project

Established with the purpose of supporting the preservation of women's papers and providing ongoing access to those papers, particularly through a web-based register.

### Birthing Kit Foundation Fund

The Birthing Kit Foundation Fund helps save lives and suffering by providing for a clean birth thereby helping to prevent tetanus and other infections for mother and baby. The kit includes materials such as plastic sheeting, soap, gloves, cords, scalpel blade, and gauze. Kits have been sent to Papua New Guinea, Vanuatu, Afghanistan, East Timor, Guatemala, Myanmar, Vietnam.

### Children by Choice

Children by Choice aims to:

- Assist economically disadvantaged women access pregnancy termination services
- Enhance and expand counselling and community education services, and expand community awareness on the needs and rights of women in relation to their reproductive health services.

### Holroyd High Fund for Refugee Girls

Holroyd High Fund for Refugee Girls furthers the education of young women asylum seekers and refugees in Australia. The initial focus is on girls at Holroyd High School in Western Sydney.

## **Kurruru Indigenous Youth Performing Arts Inc**

Kurruru, meaning 'circle' in local Kurna language, is South Australia's only indigenous youth performing arts company. It provides quality performing arts opportunities for Indigenous children, young people and their communities across South Australia.

## **Marian Eldridge Award**

Makes a grant annually to an aspiring woman writer

## **National History Challenge Committee**

Manages NFAW's sponsorship of the National History Challenge women's prize.

## **Pamela Denoon Lecture Fund**

Pamela Denoon was National Coordinator of WEL from 1982-84. She actively lobbied for women's rights in Canberra during the 1980s and established by bequest the NFAW and the Pamela Denoon Trust. An annual lecture is held in Canberra in her memory.

## **Queen Victoria Women's Centre Trust and Shilling Fund**

Queen Victoria Women's Centre Trust and Shilling Fund fosters the vision of providing a physical and virtual space for women of Victoria to reach their full potential, bring about social change and provide opportunities for women to be inspired for the future.

## **Women's Electoral Lobby (Australia)**

Support of research and education projects

## **Women's History Month**

The Women's History Month Fund was established to raise funds for a national celebration of women's history in March every year.

## **Women's International League for Peace and Freedom**

Founded in 1915, the Women's International League for Peace & Freedom (WILPF) empowers women to work effectively for peace and justice in every Australian state and territory, and in 45 countries around the world.

WILPF women stand for:

- Political solutions to international conflicts
- Disarmament
- The promotion of women to full and equal participation in all society's activities
- The respect of fundamental human rights and the right to development in a sustainable environment
- Economic justice within and among states
- Elimination of racism and all forms of discrimination

# Appendix B

## 2008 Financial statement

### INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008	2007
		\$	\$
Revenue	3	<u>261,729</u>	<u>206,964</u>
Accounting expenses		3,756	5,128
Auditor's remuneration	10	-	5,000
Depreciation		54	57
Function costs		4,144	3,340
Grant expenses		201,103	122,789
Insurances		4,331	8,572
Memberships		1,100	755
Sundry expenses		-	8,856
Office and administration expenses		<u>18,739</u>	<u>13,356</u>
<b>Profit before income tax</b>		<u>28,502</u>	<u>39,111</u>

<b>Income tax expense relating to ordinary activities</b>	-	-
<b>Profit after income tax</b>	<u>28,502</u>	<u>39,111</u>

**BALANCE SHEET**  
**AS AT 30 JUNE 2008**

	Note	2008	2007
		\$	\$
<b>Current Assets</b>			
Cash and cash equivalents	4	184,876	127,103
Prepayments	5	2,456	2,462
GST receivable		<u>      -</u>	<u>8,029</u>
<b>Total Current Assets</b>		<u>187,332</u>	<u>137,594</u>
<b>Non-current Assets</b>			
Property, plant and equipment	6	<u>1,034</u>	<u>1,088</u>
<b>Total Non-current Assets</b>		<u>1,034</u>	<u>1,088</u>
<b>Total Assets</b>		<u>188,366</u>	<u>138,682</u>
<b>Current Liabilities</b>			
Trade and other payables	7	22,000	12,413
GST Payable		<u>595</u>	<u>      -</u>
<b>Total Current Liabilities</b>		<u>22,595</u>	<u>12,413</u>

**Non-Current Liabilities**

Borrowings – Education and Research Trust	<u>15,160</u>	<u>4,160</u>
---	---------------	--------------

<b>Total Non-Current Liabilities</b>	<u>15,160</u>	<u>4,160</u>
--------------------------------------	---------------	--------------

<b>Total Liabilities</b>	<u>37,755</u>	<u>16,573</u>
--------------------------	---------------	---------------

<b>Net Assets</b>	<u>150,611</u>	<u>122,109</u>
-------------------	----------------	----------------

**Equity**

Retained Earnings	<u>150,611</u>	<u>122,109</u>
-------------------	----------------	----------------

**STATEMENT OF RECOGNISED INCOME AND EXPENDITURE**  
**FOR THE YEAR ENDED 30 JUNE 2008**

	<b>Retained Earnings</b>
	<b>\$</b>
<b>Balance at 1 July 2006</b>	82,998
Add: Profit after income tax	39,111
<b>Balance at 30 June 2007</b>	122,109
Plus: Profit after income tax	<u>28,502</u>
<b>Balance at 30 June 2008</b>	<u><u>150,611</u></u>



**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 30 JUNE 2008**

	Note	2008	2007
		\$	\$
<b>Cash Flows from Operating Activities</b>			
Cash receipts in the course of operations		268,817	228,022
Cash payments in the course of operations		(211,991)	(180,761)
Interest received		<u>947</u>	<u>103</u>
<b>Net Cash provided by Operating Activities</b>	<b>11</b>	<u>57,773</u>	<u>47,364</u>
<b>Cash Flows from Investing Activities</b>			
		-	-
<b>Net Cash used by Investing Activities</b>		<u>-</u>	<u>-</u>
<b>Cash Flows from Financing Activities</b>			
		-	-

<b>Net Cash used by Financing Activities</b>		<u>-</u>	<u>-</u>
<b>Net Increase in Cash Held</b>		57,773	47,364
<b>Cash at beginning of financial year</b>		<u>127,103</u>	<u>79,739</u>
<b>Cash at end of financial year</b>	<b>4</b>	<u>184,876</u>	<u>127,103</u>

## ATTACHMENT B

### Opinion from The Australian Financial Review

#### “Glass Pockets”

*“A Foundation is not only a private philanthropy: it is affected with a public interest and is in a real sense, a public trust. Exempt from taxation it enjoys a favoured legislative status. The grants which it makes are matters of public concern’ and public confidence in the foundation as a social instrument must be based on an adequate understanding of its purposes and work. A foundation therefore cannot escape the responsibility, moral if not legal, for giving the public...complete information of its activities and finances.”<sup>1</sup>*

Australian philanthropic foundations have had a very significant impact on our society. But how much do we know about them?

Very little. They provide almost no public information about their operations, unlike their overseas counterparts. Nor are they required to in Australia. Does this matter? This lack of transparency in 2008 seems indefensible, given their impact, and more importantly the fact that the public purse effectively supports these organisations via tax benefits.

During the last decades vast wealth has been created in the western world including Australia. Over 50% of the world’s wealth is held by 2% of the population. The collective worth of America’s wealthiest 400 is US\$1.54 trillion, an astounding concentration of money and power.<sup>2</sup>

Like Rockefeller and Carnegie at the beginning of the 20<sup>th</sup> Century, many of these super wealthy individuals have used their immense fortunes to establish Foundations to serve the common good. Some, such as Bill Gates and William Buffet, have been strongly influenced by the philosophy of Andrew Carnegie, who thundered in his *Gospel of Wealth*, published in 1889, that it was a “disgrace” for a wealthy man to die rich.

Foundations are unlike any other institution in a modern democracy. Many scholars have argued there is “no more strange and improbable creature than the private foundation”<sup>3</sup>. Unlike

---

<sup>1</sup> Fosdick, Raymond, *The Story of the Rockefeller Foundation*, London, 1952, p.313. (Fosdick was President of the Rockefeller Foundation 1936-1948)

<sup>2</sup> Press release 5 December 2006, World Institute for Development Economics Research, UN University ,Helsinki; Forbes 400, December 2007

corporations they are not controlled by market forces and do not have to face shareholders. Nor do they have to face constituents at elections. Governments acknowledge foundations' uniqueness by providing significant tax advantages to them, because of their public purpose. But in our country we do not yet insist on a transparent process for looking at their operations.

In Australia, as elsewhere, the last decade has witnessed historically unprecedented growth in philanthropy. It has always existed in Australia, although it has been largely invisible. Indeed, most Australians have seen it as an American tradition. But philanthropy, in fact, has been responsible here for funding in fields as diverse as medicine, children's welfare, environment, the arts and education.

This nation's philanthropy has been seminal to the creation of many of our socially and environmentally significant institutions. For example, the Ian Potter Foundation funded the precursor of what has become one of our most successful national and international programs – Landcare. Philanthropy has also helped change Australians world view: the Myer Foundation fostered the first links with Asia in the late 1950's and early 1960's and established the first centres of Asian history and culture which it continues to fund. The impact of this since that time has been the creation of political and social links which have also been of huge benefit to our economy.

Today, far more attention is being focused on philanthropy than ever before, an interest boosted by the involvement of public figures. The people and the media have been dazzled by 'celebrity philanthropy'. We may know the faces, but the workings of foundations in Australia are much more opaque. There is no information currently available on the capital base of philanthropy in Australia or the amount distributed in grants. By contrast, in the USA, because of a legislative requirement for accountability, we know that the asset base of US foundations in 2007 was US\$670 billion and American foundations distributed US\$42.9 billion in grants.<sup>4</sup>

The recent surge in philanthropy in Australia was facilitated by the previous federal government's change in the Tax Act in June 2001. This effort to encourage philanthropy here has

---

<sup>3</sup> Nielsen, Waldemar, *The Golden Donors*, N.Y., 1985, p.4

<sup>4</sup> [www.foundationcentre.org](http://www.foundationcentre.org), press release 2 May 2008

been very successful, as shown by the 769 new Foundations that have been established since the change. The financial value of these new foundations, known as Prescribed Private Funds (PPF's) has risen dramatically from a value of \$78.6m in 2001 to an estimate of \$1.234 billion in 2008.. During this period they have distributed a total of \$301.3m.<sup>5</sup> [The Australian Centre for Philanthropy and Nonprofit Studies, QUT, CPNS Current Issues Sheet 2008/6: cpns.bus.qut.edu.au]

The importance of these figures is not their size, although that is impressive, but that they are the only official and comprehensive figures available about any form of philanthropy in this country.

There are a number of questions that we cannot answer about PPF's or about many other types of Foundations because of the limited information available on the public record.

Surprisingly, at the beginning of the 21st century, the only legal obligation upon philanthropic bodies is to provide an audited annual report to the Australian Tax Office. However, all that is provided to the public (including researchers and journalists) by the ATO is the name and postcode of PPF's, not even this minimal data is made available on other trusts and foundations which almost certainly distribute far more in total than the PPF's. Trustee companies, who administer the largest number of philanthropic foundations, do not provide basic information concerning the foundations they administer. Most do not even provide a list of names.

There is no legal or regulatory obligation for Foundations to issue a public report and only a sophisticated few do so. As a consequence, for the overwhelming majority of such entities, we do not know who the trustees are, their Foundation's mission, the beneficiaries, or the capital base of each foundation. This means it is almost impossible to make a real assessment of the cumulative impact of this important sector. More worryingly, it inhibits the non-profit sector from accessing these funds – funds intended for its benefit. This is especially concerning as governments of all persuasions are now encouraging public institutions and organisations to supplement their income from other sources.

---

<sup>5</sup> Australian Centre for Philanthropy and Nonprofit Studies, QUT, Current Issues Sheet 2008/6 – cpns.bus.qut.edu.au

The principle source of information for grantseekers is *The Australian Directory of Philanthropy*. Most PPF's and many trusts and foundations choose not to be listed.

The culture of tolerance of non-disclosure is widespread and has a long history in Australia. Trustees generally regard their foundations as private entities. There is also a very valid view that anonymity can be a virtue and publicity an unnecessary expense diverting money from charitable causes. Trustees also fear, probably with reason, that they could be flooded with excessive applications. (Administrative infrastructure in all Australian philanthropic bodies is very lean).

A similar culture existed in the US prior to the enactment of the 1969 Tax Act. The new Act mandated that Foundations must disclose certain information on their assets, grants, trustees and staff members. The Act was the outcome of tumultuous debate in which foundations were under assault in the Congress and in the media for financial misconduct, short sales of securities, speculation in commodity futures and manipulation of stock prices.

Foundations in the US must now complete an annual tax return and make it available for public inspection. Details include information on income, expenses, assets, grants, liabilities. Each year, a public advertisement must be placed in a newspaper stating that "the annual return is available for public inspection in a foundations' principal office during regular business hours within 180 days of publication of the notice".

The advertisement must also include the address, telephone number and name of senior staff of the Foundation.

This debate in the Congress achieved another significant outcome. It crystallised the modern philosophy of Foundations, emphasising they were both private and public organisations. They were created by private citizens but chartered by federal or state government to serve the public interest.

There have always been visionary Foundations that chose to be accountable, such as those established by John D Rockefeller and Andrew Carnegie. They saw it as a duty to provide the public with the fullest information and widest discussion about their activities. From the time of establishment, (1911 and 1913 respectively) their annual reports were very comprehensive (up to 300 pages). This public reporting has been the catalyst for encouraging research and debate,

resulting in better practice. Boards have been strengthened by being open to broader representation and sensitised to a range of social and economic opportunities. There is no parallel for this in Australia.

Changing Australian philanthropy's accountability would not be without opposition. There is a genuine concern that government could regulate philanthropic money the way government money is regulated. Philanthropic money is an important source of independent income for the functioning of a truly civil society. It should be able to support a strong nonprofit sector, by funding innovation, progressive models of service delivery and critiquing social policy.

The US experience shows these fears to be baseless. If Australian foundations were to follow the example of their overseas cousins and be more accountable, we would gain:

- acknowledgement and understanding of the dual nature of foundations: that they are private bodies with a public purpose as supported through the tax system
- The discharge of the moral responsibility of accountability
- A better-informed client population, the non-profit sector
- A deeper understanding of the historical and current impact of philanthropy on our society
- A more informed debate about the nature of the common good in Australia and philanthropy's role in enhancing it.

To quote the President of the Carnegie Foundation in the 1930's, "foundations should operate with *glass pockets*, because the secrecy of one foundation damages the reputation of all foundations<sup>6</sup>."

**Elizabeth Cham**  
**Research Fellow in Philanthropy**  
**University of Melbourne**

---

<sup>6</sup> Quoted in McInay, Dennis, *How Foundations Work*, San Francisco, 1998, p.90