

## INTERNATIONAL CENTRE FOR ENTREPRENEURSHIP FOUNDATION

### Donations policy

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#### 1.0 Purpose of policy

1.1 This policy describes the process for identifying, selecting and stewarding the philanthropic gifts made by the Foundation.

#### 2.0 Review of policy

2.1 This policy must be reviewed and approved annually by the trustees of the Foundation. The review should be completed, and any changes approved, before calling for expressions of interest from potential donees.

#### 3.0 Purpose of gifts

3.1 Trustees must ensure that the Foundation's philanthropic activities and gifts are consistent with the purpose of the Foundation as described in the Foundation's trust deed. (Appendix 1.)

3.2 The trustees may agree priorities to focus their philanthropic activities within the broad range of activities allowed by the purpose of the trust.

3.3 The Foundation will consider supporting any educational programme, project, experience, event, or other means of supporting, facilitating or enhancing knowledge, experience and capabilities related to entrepreneurship broadly defined, including preparing for the impact of technology on the future of work and entrepreneurial opportunities.

3.4 Beneficiaries of supported programmes will normally be:

- the owners/founders/managers of SMEs and start-ups that have operations or a substantive connection to New Zealand; or
- students and staff at universities and other tertiary education institutions within New Zealand, including students in Doctoral or Masters programmes undertaking research relevant to the purpose of the Foundation; or
- students of secondary school age and staff at Secondary Schools within New Zealand, and other individuals of typical secondary school age; or
- primary school age children, but this is a lesser priority than those above.
- communities in NZ whose economic and living standard would be enhanced.

3.5 Donees may be universities, other tertiary providers, secondary or primary schools, or other registered charities that provide programmes that develop the entrepreneurial capability of the beneficiaries listed in Section 3.4.

#### **4.0 Establishing new gifts**

4.1 The process for establishing new gifts will operate on an annual cycle.

4.2 The trustees must set an annual limit for the total value of new gifts to be awarded that year, and for the maximum size of any individual gift. This limit should take into account:

- The financial position of the Foundation
- Any ongoing multi-year commitments to donees.
- Any other expenses or material changes in financial position anticipated during the current year.
- Income on invested capital.
- The dividend policy agreed with the Icehouse board, and the amount of the dividend approved by the Icehouse board for disbursement in the current year.

4.3 In establishing the limit for gifts and budgeting other expenses for the year, trustees must prioritize preserving the paid in capital held by the trust.

4.4 The timing of the process should be such that commitments to donees are not made before a dividend from the Icehouse is declared.

4.5 Disbursement of new gifts will normally occur in January or February of the following year. The second or subsequent disbursement of multi-year gifts will also be made at this time. However, variations may be agreed.

4.6 A gift agreement must be executed by both parties before any disbursements are made. The agreement may include, at the discretion of the Foundation, conditions that the donee must satisfy before funds are disbursed, or specify that the funds will be disbursed in tranches subject to demonstrated completion of milestones.

#### **5.0 Application and selection of donees**

5.1 A call for expressions of interest will be made once per year. This makes the process efficient for trustees, and facilitates comparison between the proposals submitted by potential donees.

5.2 The call will be placed on the Foundation's website at least eight weeks before the final application date. The call will be announced using the Icehouse's communication vehicles, sent directly to previous recipients of gifts, and may also be circulated by any other means. The call will include information on the maximum size of any individual gift that will be awarded.

5.3 The Foundation reserves the right to invite applications.

5.4 Potential donees are expected to submit their application by the closing date using a form provided by the Foundation on its website.

5.5 Out-of-round or late applications may be considered at the discretion of the trustees, and providing funds are available for distribution.

5.6 The decision about which applications to fund will be made at a meeting of the trustees.

5.7 The trustees may delegate the review of applications to a subcommittee or any suitably qualified party. Any delegate should submit a recommendation for which projects to fund along with a rationale to a meeting of the all trustees for a final decision.

5.8 The trustees or their delegate may request additional information from an applicant and/or undertake any due diligence they deem necessary. The trustees may request that applicants attend an interview before a final decision is made.

5.9 In selecting applications to fund, the trustees or their delegate should take into account:

- The purpose of the Foundation, the annual priorities, and other guidance in Section 3.0.
- The potential impact of the proposed activity.
- The information needs, interests, and skill/capability requirements of the Icehouse, its stakeholders, and the broader entrepreneurial ecosystem in NZ.
- Opportunities for the ICE Foundation and/or the Icehouse to work with and create value by sharing expertise, networks or other non-monetary resources with the donee.
- The potential for sharing of information and resources, or other potential synergies, between donees.
- The potential for a gift to be leveraged by encouraging other new donors or by investing alongside donors that are already supporting the organization.
- The opportunity to increase awareness of the ICE Foundation and its mandate, and to establish the Foundation as a leader in facilitating the development of entrepreneurship in NZ.
- The potential benefit of an ongoing relationship with the donee.
- The unique role of the University of Auckland as a founding contributor to the trust.

5.10 The Foundation reserves the right to not fund any applications and the right to fund any application for a smaller amount than requested.

## **6.0 Stewardship of gifts**

6.1 The Foundation will maintain a register of its gifts and update it annually as an attachment to this policy. (Appendix 2.)

6.2 Donees must provide a written report within three months of the end of the funding period. Interim reports will be required for multi-year projects. The reporting frequency and any other reporting requirements will be specified in the gift agreement.

6.2 The Foundation wishes to remain connected to its donees. Donees may be invited to attend a meeting of the trustees, or the trustees may visit the donee organization if appropriate.

6.3 When possible, the Foundation will help donees to meet their objectives by leveraging the expertise and contact network of the Icehouse, the expertise and contacts of trustees, or by any other means.

## Appendix 1. Purpose of the Foundation

The trustees approved an amendment to the trust deed on 29 August 2019, updating the purpose of the Foundation. The purpose is:

### 3.1 Purpose

The Trust is established for the purposes of advancement of education and the benefit of the community in New Zealand by:

3.1.1 Providing or supporting teaching and learning in all disciplines and by any means or medium;

3.1.2 Without limiting clause 3.1.1, undertaking or supporting research, including publications, on matters relating to entrepreneurship and innovation, the small to medium sized business enterprise sector; start-up business operations and development initiatives;

3.1.3 Without limiting clause 3.1.1, organising events such as seminars and conferences, research forums, practitioner and student-focused competitions, networking and placement activities on matters relating to entrepreneurship and innovation, the small to medium sized business enterprise sector, start-up business operations and development initiatives;

3.1.4 Establishing, developing and supporting any research and development institution or facility that advances education relating to entrepreneurship and innovation, the small to medium sized business enterprise sector; start-up business operations and development initiatives;

and,

any other purposes within New Zealand (whether relating to the relief of poverty, the advancement of education or any other matter beneficial to the community) which are for the time being charitable according to the law of New Zealand.

### 3.2 Incidental to the purposes of the Trust

In order to further advance the purposes of the Trust, the Trust may:

3.2.1 provide mentoring and advisory services;

3.2.2 provide policy advice to government and other organisations.

When the Trustees consider it to be appropriate, the matters incidental to the Trust's purposes set out in this 3.2 may be undertaken through and by any facility established, developed or supported under clause 3.1.4.