

Rotary Australia Benevolent Society (RABS) – (a public benevolent institution)

IMPORTANT NOTICE:

With the move to online Project Applications, it is **STRONGLY** recommended that this document be **PRINTED** to ensure that all concerned read and understand the information presented.

What is the Rotary Australia Benevolent Society?

RAWCS has established the **Rotary Australia Benevolent Society (ABN: 54 563 288 318)** to assist Rotary Clubs and Rotary Districts within Australia to respond to needs within their own communities and to gain tax deductibility for donations made to their registered project. RABS is a public benevolent institution (PBI) with full Australian Taxation Office certification.

RABS is administered on a National basis, fully utilising the RAWCS website and our online donation facility to minimise administration costs.

RABS Projects can be registered by Australian Rotary Clubs and Rotary Districts who are of good standing with Rotary International.

Rotary Clubs and Districts operating RABS projects are deemed to be acting as agents for RAWCS Ltd.

What are the project criteria?

A RABS project must have **benevolent relief as its main purpose**, and that relief must be **provided to people in need**.

The **project does not have to provide material help directly** to those in need. Public benevolent institutions can engage others to undertake activities on its behalf or be part of a relationship of collaboration (such as within a structure of related organisations with shared objects) that is organised, conducted for or promotes benevolent relief.

Benevolent relief includes working for the relief of poverty or distress (such as **sickness, disability, destitution, suffering, misfortune or helplessness**).

The **degree (level) of distress** is also important and your project only meets the definition if its purposes try to meet a need that is:

- **significant enough** (and the circumstances difficult enough) to arouse compassion in people in the community
- **beyond the suffering experienced as part of ordinary daily life**, and
- **concrete enough** – aimed at **helping people** who are recognisably in need of benevolence (see below).

The purpose does not have to be only to relieve financial hardship or need caused by poverty but can relieve other needs. For example, a project that provides counselling services to people traumatised by a natural disaster, or one that provides education and activities to disadvantaged young people to help them gain skills in life may qualify with the requirements of a public benevolent institution.

The RABS project approval process will carefully review activities to determine whether the project is acceptable for registration.

More information on interpretation of these criteria is available on the Australian Charities and Not-for Profits Commission (ACNC) website.

How does the Rotary Australia Benevolent Society work?

It is desirable that all projects have a definite start date and completion date.

RABS Projects are mainly undertaken within Australia, but they can also be used for Projects in overseas countries: especially in those countries not classified as 'Developing' where OAF Projects cannot be registered.

Projects MUST be registered online at "Register a RABS Project" at Rotarians Centre/Register a New Project.

All applications must have the **online signatures** of the Project Manager, the current Rotary Club President (or, for District Projects only, the District Governor), District RAWCS Chair and Regional RAWCS Supervisor, prior to being registered on the National RAWCS database.

The Project Manager and Deputy Project Manager must be active members of the Sponsoring Club. You must list at least one Committee member, and you are encouraged to list your complete Committee for the Project. Committee members can be Rotarians from other Rotary Clubs and Non-Rotarians assisting with the project.

A service fee of 5.0% (5.5% plus GST) will be deducted from all donations to all RABS Projects unless the RAWCS Ltd Board deems the donation to be strategic or not in the best interest of RAWCS to deduct the full, service fee.

All donations requiring a tax deduction must be deposited into the RABS account by the online donation facility established for each project. Deposits can be made by credit card, cheque, or direct deposit.

Payments to the project will then be made by the National Secretariat at the request of the Project Manager. They must complete a "Request to Transfer Funds Form" available from the RAWCS website at Rotarians Centre/Operation Guidelines & Templates. The signed and

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completed form should be emailed to the National Secretariat together with invoices or supporting documentation.

NOTE: Credit card donations will only be accepted using cards issued by an Australian bank, or an Australian branch of an international bank. Overseas donors should use direct credit transactions by selecting the 'By Direct Credit' option.

RAWCS Project Managers can now view all the details of their Projects by logging on to the RAWCS Directory at Rotarians Centre/Login to Projects Directory. The Project Manager signs in by inserting his/her email address and then clicks on Forgotten Password. A password is emailed out and this enables the Project Manager to log on to his/her Project and view ALL the information including the financial transactions.

All reports and all records are to be kept for a minimum of seven years by the Project Manager and must be available for inspection by ACNC in the event of a Project audit.

A Rotary Club or District can register a RABS project benefitting a third-party organisation under the following circumstances:

- Provided the third-party organisation has DGR status with the ATO. The RABS application for registration form must state the person or people who will benefit from the relief given.
- Provided the third-party organisation that **does not** have DGR status with the ATO completes an MOU signed by all parties. The MOU must state how the relief benefit will be given, who will deliver this benefit and the people who will benefit from the relief given.

Disaster Relief projects both in Australia and outside Australia must be for relief to people. These project applications must have an MOU explaining who is acting in the community to distribute the relief (usually it will be a Rotary Club or District), how the relief benefit will be given and the people who will benefit from the relief given.

All RABS project donations must be deposited into the RAWCS National RABS account by way of the RAWCS online donation facility that is established for each project. Payments on behalf of the project will be made by the RAWCS National Treasurer at the request of the Project Manager in writing (email will be accepted).

Record keeping

Financial records must be maintained by the Project Manager. Financial records are documents that:

- show the project's financial transactions, position and performance
- allow financial reports to be prepared and audited

These records include receipts, invoices, banking records, details of any contracts, details of any grant payments, salary records (if employees), and other similar documents.

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If there are any surplus funds in the RAWCS Project account at the completion of the project, these funds must be deposited to a currently registered RABS project of the Project committee's choice. This is a stated requirement of a Benevolent Society.

Project Managers or, in their absence, the Deputy Project Manager will be responsible to complete and **submit online project reports every six months**. An email will be sent to them with a link to the report. The Report needs to be completed online and then submitted. A copy will be sent to the Sponsoring Club, District Governor, District RAWCS Chair, Regional RAWCS Chair and the National Projects Manager as well as being placed on the project file.

Operational records must be kept by the Project Manager. Operational records are any other documents about operations connected with the Project. These may include meeting minutes, reports, and written details of charities activities, programs or services. Records need to be kept that allow RAWCS and the ACNC to assess whether:

- the project continues to be an eligible project. For example, the documents should show what activities are being undertaken to further charitable purpose.
- the project is complying with its responsibilities under the ACNC Act.

All projects can be subject to audit at any time by RAWCS National and Regional officers of RAWCS or officers of the ACNC.

More information on Benevolent Societies and record keeping is available from the ACNC website.

Volunteers cannot give a donation and claim tax deductibility if they receive a benefit from that donation (e.g. – accommodation, airfare and food are benefits). Volunteers to overseas RABS projects are covered for insurance if they submit their applications and register with their RAWCS Regional Coordinators two weeks prior to departure.

For registration of volunteer teams within Australia it is not essential volunteers be covered RAWCS Insurance. Medicare covers for medical needs and their Rotary Club can cover them under their District insurance policies. If the team is working in a different Rotary District, we will accept the registration of a Volunteer Team.

Responsibilities of Project Managers & Rotary Clubs sponsoring a Rotary Benevolent Society project.

By agreeing to sponsor a RAWCS, RABS Project, the Rotary Club is accepting a responsibility for obtaining regular progress and financial reports from the Project Manager and the Project Management Committee. The Club Management is required to satisfy itself that the Project is progressing satisfactorily and to seek the assistance of the RAWCS National Project Manager to resolve any problems that cannot be satisfactorily resolved at Club level.

The Project Manager is the only person who can authorise expenditure of funds from the Project account. The Project Manager is SOLELY responsible for ensuring that the Club Management is aware of these financial transactions.

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The Project Manager or, in his/her absence, the Deputy Project Manager is also jointly responsible to ensure that the regular six-monthly on-line Project Reports are submitted promptly.

If a report is more than six-months in arrears, the Project will be marked **SUSPENDED**.

A **SUSPENDED** Project is subject to the following restrictions:

- All Project funds will be frozen until the project audit report has been submitted.
- No payments will be permitted or approved.
- No donations will be accepted to the project.
- The project is removed visually from the RAWCS Website.
- The project remains within the RAWCS Project data base but listed as Suspended. Can be re-activated upon receipt of the outstanding Project Audit Reports or advise of the RAWCS Board.

If the outstanding audit report has not been submitted within 45 days from the date of the **SUSPENSION**, the Project will be marked as **DISCONTINUED** and the funds within the Project Account will be re-distributed to another similar RAWCS Project at the direction of the RAWCS Board.