



RATE CRITERIA

Respect & Action Trust for the Environment (RATE)

A RAWCS Institution operating as an Environmental Organisation

IMPORTANT NOTICE:

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

What is the Trust for the Environment?

The Respect & Action Trust for the Environment (RATE) (**ABN: 42 153 328 710**) is a charitable trust established by RAWCS to support and facilitate the environmental projects of Australian Rotary Clubs. As a Charitable Trust, RATE is an institution, with RAWCS as the corporate Trustee, which is registered with the Australia Taxation Office as an Environmental Organisation and can issue tax deductible receipts for donations to its projects.

RATE is also registered with the Australian Charities and Not-for-profits Commission (ACNC) as a charity whose subtype is Advancing the Environment.

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

RATE Projects can be registered by Australian Rotary Clubs and Rotary Districts who are of good standing with Rotary International. Rotary Clubs and Districts operating RATE projects are deemed to be acting as agents for RAWCS Ltd. This provision makes clear that it is RAWCS Ltd that is responsible to the various government regulators for the compliance of all registered projects with Australian law and the requirements of our charities registrations.

What are the project criteria?

The principal purpose of the RATE is the **protection and enhancement of all aspects of the natural environment** both in Australia and in developing nations including, without limitation, by delivering project activities relating to air and water quality, waste minimisation, soil conservation, protection and restoration of land, coastal, marine and freshwater resources and promotion of ecologically sustainable development principles. RATE projects can also support the provision of information or education, or the carrying on of research, about the natural environment or a significant aspect of the natural environment.

It is important to be clear about the **Natural environment**. The project activities must relate to the natural environment as distinct from other types of environments such as built, cultural and historic environments. 'Natural environment' includes all aspects of the natural surroundings of humans, whether affecting them as individuals or in social groupings. It can include:

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1. Significant natural areas and ecological zones, such as rainforests;
2. Wildlife and their habitats;
3. Issues affecting the environment such as air and water quality, waste minimisation, soil conservation, and biodiversity; and
4. Promotion of ecologically sustainable development principles.

RATE projects can have purposes such as:

1. Protecting, preserving or rehabilitating habitats such as by tree planting, weeding and other regeneration of natural areas, and recovery of natural areas after a disaster;
2. Preserving native flora and fauna
3. Rescuing or caring for native animals; and
4. Educating the community about the natural environment; and the benefits to society from protecting, preserving, caring for it.

The Natural Environment does not include:

1. Constructions such as retaining walls or dams;
2. Cultivated parks and gardens;
3. Zoos and wildlife parks (except those principally carried on for the purposes of species preservation);
4. Cultural sites; and
5. Heritage properties.

Providing assistance to non-native animals will not qualify as an environmental purpose so, for example, a RATE project could not assist with rehoming or caring for pets or livestock after a natural disaster.

RATE projects cannot be used as a mere Conduit for donated money or property to be passed on to other organisations, bodies or persons. A conduit concern would arise if an individual donated to a RATE project and received a tax-deductible receipt but had the expectation that they would receive a direct benefit from the donation. Similarly, it would be a breach if the donated money or property was passed through the project to benefit another organisation, body or person. Donated funds must be applied to support the projects objectives under the supervision and control of the Project Committee. (see: RAWCS Non Conduit Policy RATE)

For example: The privately used bushland property of an individual landowner is affected by a bushfire and the landowner wants to rehabilitate the affected area. The work is at the landowner's cost. The landowner wishes to engage a for-profit landscaping business or a non-DGR organisation or charity of the landowner's choice (contractor) to carry out the work for an agreed amount of \$10,000. The landowner proposes an arrangement to RATE, whereby the landowner will donate \$11,000 to RATE on the basis that RATE engages the landowner's nominated contractor to carry out the work for \$10,000 and RATE keeps the remaining \$1,000. The landowner oversees the performance of the work, RATE has no other involvement. The landowner claims the \$11,000 payment to RATE as a tax

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deduction. In this example of a breach of the Conduit policy, RATE would be acting as a mere conduit because the donated funds are not being used for its principal purposes and its project does not control the outcomes.

The RATE project approval process will carefully review activities to determine whether the project is will be compliant with the RATE criteria and acceptable for registration.

How does the RAWCS Respect & Action Trust for the Environment work?

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

RATE Projects are mainly undertaken within Australia, but they can also be used for Projects in overseas countries.

Projects MUST be registered online at “Register a RATE Project” on the RAWCS website 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% including GST) will be deducted from all donations to all RATE 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 RATE 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/Operational Guidelines & Templates. The signed and 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.

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RAWCS Project Managers can now view all the details of their Projects by logging on to the RAWCS Directory at Rotarians Centre/Login to Project Directory. The Project Manager signs in for the first time 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 RATE project collaborating with a third-party organisation provided the third-party organisation completes an MOU signed by all parties. The MOU must state how the project will operate, how donated funds will be applied to advance the project objectives and what are the responsibilities of each participating organisation.

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.

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 RATE project of the Project committee's choice.

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.

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More information on record keeping is available from the ACNC on their 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 RATE projects are covered for insurance if they submit their applications and register with their RAWCS Regional Coordinators at least 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 RATE project.

By agreeing to sponsor a RAWCS, RATE 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.

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.