

## Community Charity Guidelines Submission

### Fremantle Foundation (FF)

Stuart MacLeod – Executive Officer

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I would like to begin this submission by expressing my tremendous gratitude, optimism and excitement surrounding the passing of this landmark legislation and the release of the draft guidelines.

These guidelines are a fantastic first step towards implementing the legislation in the manner in which it was intended. There are a few ways to reshape some clauses; to improve this intent and to grasp the true purpose and processes that drive Community Foundations towards their shared missions. It is imperative that we try to do so in this first iteration. There is a once-in-a-lifetime opportunity here to improve the efficacy and efficiency of charitable decision making across this country. This legislation, and the way it is guided, will be crucial to determining the net effect of the inter-generational redistribution of wealth that will occur in the next decade.

I know there are many submissions from other Community Foundations across Australia, so I will keep my submission siloed to those changes that affect us directly, based on our experiences.

### 1. Section 25 Portability

**Issue:** There is no provision in the guidelines to allow a community charity to transfer *partial* assets to another community charity.

**Case Study #1:** Peel Community Fund was established in 2019 as a sub-fund within FF, with the intent to receive donations from community and business within Peel Region, with those funds granted within the Peel Region for charitable purposes. Since this fund was established, the Peel Community Foundation has been established as an entity itself, with the eventual goal of securing Community Charity status. If this entity were able to be endorsed as a Community Charity, there would be no mechanism that would allow the portability of existing funds within the Peel Community Fund sub-fund at FF under current draft guidelines.

**Case Study #2:** Bibbulmun Fund was established in 2014 as a sub-fund within FF, with the intent to receive donations from Indigenous-led businesses and grant to charities and projects that address disadvantage in Indigenous communities. The Bibbulmun Fund recently celebrated over \$1M in granted projects funded, and was awarded a Philanthropy Australia Award for First Nations Philanthropy at the 2024 awards. The Bibbulmun Fund is eager to become a self-determining entity, wholly owned and governed by Indigenous peoples. If this entity were able to be endorsed as a Community Charity, there would be no mechanism that would allow the portability of existing funds within the Bibbulmun Fund sub-fund at FF under current draft guidelines.

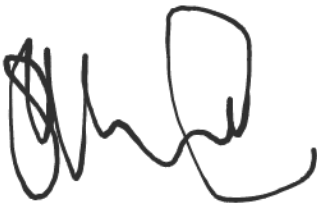
**Suggest:** Add another division or section to the guidelines for circumstances where partial assets can be transferred from one community charity to another, like the arrangement made for Public Ancillary Funds.

Or clarify in this section that *partial* assets can be transferred to another community charity when a new entity is established.

Thank you for the opportunity to comment on the draft guidelines.

For further information please contact Stuart MacLeod, EO, Fremantle Foundation – [stu@fremantlefoundation.org.au](mailto:stu@fremantlefoundation.org.au)

Yours faithfully



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