



NCOSS Sector Development e-Bulletin

December 2008

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1. Sector News and Resources

- **Challenges and opportunities in grant application and reporting**

Drowning in Paperwork, Distracted from Purpose

Are nonprofits drowning in paperwork and distracted from purpose as a result of grantmakers' application and reporting requirements?

Do the same practices that grantmakers use to increase effectiveness end up over-burdening both grantmakers and grantseekers—and diminishing their effectiveness?

This research report commissioned by Project Streamline addresses these questions by examining current application and reporting practices and their impact on grantmakers and grantseekers.

Download: [Drawing in Paperwork, Distracted from Purpose](#)

- **NCOSS PBS**

The NCOSS PBS is a collaborative exercise that reflects the priorities of the sector in meeting the real needs of the most disadvantaged people and communities in NSW. It is resource that the sector can, and should, use to lobby for programs and initiatives that will make a difference and lead to a more socially just and fair society.

The NCOSS PBS is available @: [NCOSS PBS](#)

- **Skilling Australia for the Future 2008**

To lift workforce participation and productivity, the Federal Government has recently introduced the Productivity Places Program, with 630,000 additional training places to be delivered. An earlier Discussion Paper posed a number of questions about the implementation of the program and consultation was undertaken so the views of key stakeholders could directly contribute to decisions. This report provides a synthesis of all the feedback received.

Download: [Skilling Australia for the Future – Feedback Report](#)

- **NCOSS Shared Services Seminar – November 10th, 2008**

The **NCOSS Sector Development Seminar on Shared Services**, held on the 10th of November, attracted a capacity audience of NGOs and Government agencies. The Seminar provided an opportunity to find out about the latest research and learn from the 'practice' of other NGOs and other sectors. Speakers included academic researchers, as well as NGO professionals with first-hand experience of 'sharing services'.

Seminar presentations by Catherine Mahony, Dr. Cameron Newton, Dr June Lennie, and Dianne Jacobus are available @: [Seminar Presentations](#)

- **Deductible Gift Recipient Campaign**

As part of the Deductible Gift Recipient (DGR) Campaign the Local Community Services Association (LCSA) is encouraging NGOs to write to Federal politicians seeking their support in granting the Neighbourhood and Community Sector DGR status, thus greater access to tax benefits.

Resource materials are available @:

- ❖ [Sample letter to Federal politicians \(NSW version\)](#)
- ❖ ["Prevention is better than cure" document](#)

Please put the sample letter on your own letterhead, sign it and send it to your Federal member. Only include the sentence about meeting with them if you are prepared to follow it up.

Please do not alter this letter substantially. At the recent national meeting of neighbourhood centre peak bodies in Canberra, it was emphasised that it is important the message is kept tight and that everyone is "on message".

Also print off a copy of the "Prevention is better than cure" document and send it with the letter. It is important to send this letter in December. Once you have sent the letter and document please notify Brian Smith, LCSA Executive Officer, @ brian@lcsa.org.au

Even if you already have tax deductible status, please send the letter in support of the majority of your colleagues in the sector who do not.

- **Senate Committee Report - Disclosure Regimes for Charities and Not-For-Profit Organisations**

The Senate Economics Committees report was released on the 4th of December and it includes several recommendations that, if implemented, will have significant implementations for the sector.

Many of the key recommendations provided by the sector to the inquiry are included in the Senate report.

Key recommendations include:

- All Australian Governments agreeing on common terminology for referring to organisations within the sector.
- Creating a Unit in the Department of Prime Minister and Cabinet to manage issues arising for not-for-profit organisations, reporting to a Minister for the Third Sector.
- Creating an Australian National Regulator for Not-for-Profit Organisations which would develop and maintain a register of all Not-for-Profit Organisations in Australia; undertake either an annual descriptive analysis of the organisations it regulates or provide the required information annually to the ABS for collation and analysis; secure compliance with relevant legislation and investigate complaints; develop best practice standards and educate not-for-profit organisations on best practice standards; and educate the public about the role of not-for-profit organisations.
- Creating a National Fundraising Act.
- Implementing a standard chart of accounts.
- The Henry Tax Review examining taxation measures affecting the not-for-profit sector with a view to simplifying arrangements and reducing confusion.
- Establishing a Taskforce for implementing the recommendations of the Report, with membership including representatives from the peak bodies of not-for-profit organizations.

The Senate Report is available @: [Senate Report](#)

The NCOSS Submission is available @: [Submission to the Senate Standing Committee on Economics](#)

- **NCOSS Christmas/New Year Shutdown Schedule 2008 – 2009**

NCOSS will be closed from 12:00pm on the 23rd December, 2008 and re-open at 9:00am on Monday the 5th January, 2009.

Wishing you all a peaceful, safe and relaxing festive season.

2. Management Support Unit (MSU):

- **Free Charity e-News Service**

The Charities Branch of NSW Office of Liquor, Gaming & Racing has launched a free e-news service for charitable fundraising organisations in New South Wales. Charity e-News will help keep organisations up to date with fundraising laws, informed about emerging issues, as well as provide practical advice about managing fundraising activities responsibly and in accordance with the law.

To subscribe go to: [Subscribe to e-News](#)

- **ATO new Fundraising Guide released**

The Australian Tax Office (ATO) has released a new version of its Guide to Fundraising for Not for Profit Organisations. The guide explains the tax treatment of various fundraising activities and the concessions available.

Download: [Fundraising Guide](#)

- **PilchConnect Update: High Court tax law decision in favour of Australian charity**

Australia's High Court ruled on the long-running case: Commissioner of Taxation of the Commonwealth of Australia v Word Investments Ltd.

Word Investments (a not-for-profit company limited by guarantee) has ultimately been successful in appealing a decision of the Australian Taxation Office (ATO). The ATO had previously determined that Word Investments' business activities, which raised funds for another charity, prevented the organisation from being considered 'charitable'.

The case clarifies the circumstances in which not-for-profit organisations that raise funds through business or commercial activities will be considered 'charitable' and eligible for income tax exemptions. Some experts have predicted that the case has widened the definition of 'charitable organisations' and may open the door for some not-for-profit organisations to re-apply to the ATO for income tax concessions.

PilchConnect's collaborative partners at the Centre for Philanthropy and Nonprofit Studies (QUT) have published a Case Note which summarises the main points of the decision: [Commissioner of Taxation of the Commonwealth of Australia v Word Investments Ltd.](#)

The ATO have released a short statement in relation to the decision via its Not-for-Profit News Service: [High Court dismisses Tax Office Appeal.](#)

3. Insurance

- **The 'Utmost Good Faith' Principle**

The 'Utmost Good Faith' principle is enshrined in the ***Insurance Contract Act 1984***.

It means that each party to the insurance contract has to act honestly or in good faith to the other party. An insurer will accept your word on the details you provide in your quote application, but you have to take responsibility for the truth of what you say. If you make misleading statements in your insurance quote application (maybe by oversight or maybe thinking you will pay a lower premium), it may mean that the insurer refuses when you want to make a claim, or pays a lower amount than you expect. This is not in anyone's interest. In the event that someone is injured, insurance is there to make sure that both the injured person and the organisation are protected. If you need to make a claim on your property insurance and find that you haven't updated your schedules or have omitted to declare important items, it might mean your insurance won't pay the claim.

- **Public Liability and Volunteers Insurance**

What is the difference between Public Liability and Volunteer insurance?

When might an NGO require Volunteer Insurance and when is Public Liability sufficient?

The new NCOSS Information Sheet, ***Public Liability and Volunteer Insurance***, can assist and is available @: [Public Liability and Volunteer Insurance](#)

The NCOSS publication Insurance: ***What's It All About***, is a great resource for NGOS- further details @ www.ncoss.org.au/insurance

For further information contact Hugh Worrall,
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Change of address: if you do not wish us to contact you at this email address, please advise your preferred email contact address by sending a message to: e-news@ncoss.org.au with the subject heading 'change of address'. Please include both your current address and your preferred address.

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