



Koha, Donations and Sponsorship Policy

Responsibility for policy: Chief Financial Officer

Approving authority: Vice-Chancellor

Last reviewed: July 2014

Next review: July 2019

Application

1. This policy applies to all staff of the University of Waikato.

Purpose

2. The purpose of this policy is to set out the principles and processes that apply to:
 - a. the gifting of koha and donations by the University
 - b. sponsorship by the University.

Definitions

3. In this policy
donation means an unconditional gift as defined by the Inland Revenue Department (IRD) as follows: "An unconditional gift is defined as a donation made to a non-profit body, where the giver (or any relative) does not receive any goods or services in return for the donation. This carries with it no obligations to account for tax."
koha is a form of, and means the same as, 'donation'
sponsorship means support of an event, activity, person, or organisation financially or through the provision of products or services.

Principles

4. The University recognises that a donation or koha to a third party may be appropriate in circumstances where:
 - a. there is a clearly identified relationship between the University and the recipient of the donation or koha, and
 - b. it can be clearly demonstrated that the donation or koha complies with this policy and either:
 - i. is justified in cultural terms, or
 - ii. is justified in terms of its alignment with the University's Vision and strategic goals.
5. Personal relationships and obligations of University staff members as private individuals do not of themselves constitute relationships or obligations on behalf of the University in the terms stipulated in section 4a of this policy.
6. The University recognises that sponsorship of an event, activity, person or organisation may be appropriate where such sponsorship aligns with the University's Vision, strategic objectives, brand and role as a public institution.

Advice

7. Any queries about donations, koha or sponsorship should be directed to the relevant Management Accountant in Financial Services.

Payments which are not donations or koha

8. The following types of payment cannot be treated as donations or koha because they have taxation obligations:
 - a. a payment for lecturing - this creates an employer/employee relationship and as a result PAYE must be deducted
 - b. a payment for the use of marae premises involving accommodation, food, drink and/or other services - this is strictly a business arrangement. (In cases where a marae is registered for GST,

then such tax is payable by the University in addition to the charge levied by the marae and is subsequently accounted for by the marae as GST input tax.)

- c. any other payment that does not meet the IRD definition of an unconditional gift set out under section 3 of this policy.
9. Payments of the types described under section 8 of this policy must not be described as koha, and must be charged to the appropriate expenditure transaction code (advice on coding should be sought from the relevant Management Accountant in Financial Services).

Requests for donations or koha

10. A request for funds for a donation or koha must be made in advance of the donation or koha being given; claims for reimbursement after a donation or koha has been made will not be approved under any circumstances.
11. Requests for funds for a donation or koha must be submitted to the Payments Section of Financial Services on a [Manual Payment Form](#) which:
 - a. sets out the rationale for the donation or koha (under 'description'),
 - b. stipulates the account to be charged (transaction type 4304), and
 - c. has been properly authorised by the relevant budget holder.
12. Any donation or koha of more than \$400 is subject to the approval of the Vice-Chancellor.
13. Koha to be given by different organisational units within the University to the same recipient must be treated as one transaction and must follow the process set out under section 12 of this policy if the total exceeds \$400.

Provision of donations or koha

14. Donations and koha are issued by the University in the form of a cheque; under no circumstances may vouchers be used for donations or koha.
15. The University will not provide donations or koha in cash under any circumstances.
16. A receipt must be obtained from the recipient of the donation or koha wherever possible; it is appropriate to present koha to marae in cheque form, and it is appropriate to request a receipt.

Sponsorship

17. University sponsorship of outside organisations and events is subject to consultation with the Assistant Vice-Chancellor (Communications, Marketing and Engagement), who will ensure that any sponsorship arrangements fit the brand of the University, and are consistent with its Vision, strategic objectives and role as a public institution.
18. Staff must obtain the approval of the relevant line manager and forward details of any proposed sponsorship to the Assistant Vice-Chancellor (Communications, Marketing and Engagement) for consideration, before agreeing to any arrangement with an external organisation.
19. Costs of sponsorship arrangements are subject to the approval of the relevant cost centre manager.
20. All sponsorship expenditure is to be clearly identified as such, and must be charged to transaction type 4301.

Responsibility for monitoring compliance

21. The Financial Operations Manager, Financial Services, is responsible for conducting regular reviews and reporting to the Chief Financial Officer with respect to koha and donation transactions to assess the appropriateness of the systems and criteria set out in this policy; factors to be considered in such reviews include:
 - the amount of transactions
 - the frequency of transactions
 - the recipients
 - the extent of coordination within the University (e.g., where more than one koha or donation is given in respect of the same event or activity).

22. The Chief Financial Officer is responsible for monitoring compliance with this policy and reporting any breaches to the Vice-Chancellor.
23. Breaches of this policy may result in disciplinary action under the [Staff Code of Conduct](#).

Waivers and variations

24. Only the Vice-Chancellor may waive or vary the provisions of this policy in individual cases.