



Auspicing Policy

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The Aurum Project (AP) is proud to be a charity established in 2004 and registered with the [Australian Charities and Not-for-profit Commission](#). AP mission is to advance the understanding of homeopathy in Australia by promoting and conducting research of the use of natural medicine and homeopathic medicines for childhood health and behavioural problems.

AP is an independent health research organisation and is part of a unique subgroup of the not-for-profit sector. Our primary function is to undertake health research for the ultimate benefit of children in the community. We are a group of researchers, supported by management and administrative staff. Our management committee is entirely volunteer based.

AP Management Committee believes it is critically important for members involved in Research Pods to be enabled to flourish, professionally and personally as they undertake the challenges of research. To achieve this environment for Pods and to build capacity, AP functions as a Teal Organisation.

Definitions:

Auspicee - The group, person or party requiring the support is known as the “auspicee”

Auspisor - The Aurum Project (AP) that provides the auspice.

IP - Intellectual Property

AP - The Aurum Project

The parties - the auspicee and The Aurum Project

Definitions:	2
1 Auspicing Policy Purpose	3
1.1 Scope	3
1.2 Auspicing conditions	3
2 Auspicing Principles	3
3 Auspicing Process	4
4 Auspicing Practice	5
4.1 Management fees	6
4.2 Insurance	6
4.3 Organisational and administrative support	6
4.4 Office and project space	7
4.5 Grant administration	7
4.6 Publicity	7
4.7 Intellectual property created as a result of the project (IP)	8
4.8 Other Intellectual property (IP)	8
4.9 Work health and safety	8
4.10 Termination and non-completion	8
4.11 Unwanted employment arrangements or partnerships	9
5 Communication with the Auspicee and Donors	9
6 Standard content of the Auspicing agreement	10

1 Auspicing Policy Purpose

The purpose of this The Aurum Project (AP) Auspicing Policy is to provide a framework upon which current and future AP auspicing agreements are planned and managed. This includes activities undertaken by or on behalf of AP with the aim of seeking or receiving donations of money, property or assets, and the purposes to use them.

1.1 Scope

The policy applies to any organisation, member of AP, or any other related party who may be involved in implementing any project, or part of a project, locally in Australia or nationwide, or in any other country or location overseas. Also, this applies to staff, volunteers, committee members and staff of partner organisations, when they work with AP, on the implementation of any activities that are part of existing or new projects.

1.2 Auspicing conditions

The act of auspicing, or to “auspice” is to provide support, manage grant funding or give guidance to other parties, who need to plan for, and implement projects in the development, relief, and research areas. The group, person or party requiring the support is known as the “auspicee” and the entity, usually an incorporated organisation, for example AP, that auspices the group, person or party is known as the “auspicator”.

When using an auspice arrangement, the relationship is often described as one where the auspicee will be carrying out the project, under the auspices of AP, which is acting as the auspicator, in this case. It is AP that receives the project funding and enters into relevant agreements for the auspicee. AP enters into an agreement, and then sub-contracts their obligations under the agreement to the auspicee. The auspicing agreement will detail the obligations for the delivery of the project, and responsibilities for how the funds are used in delivering the project outcomes.

2 Auspicing Principles

From AP perspective, auspice agreements are often used to help smaller homeopathy organisations, groups or individuals who have a similar mission, interests and objectives to AP, with access to funding for their activities/ projects such as:

- one-off events such as research assignments
- pilot projects or program trials
- fundraisers to attract donors through AP benefit of Deductible Gift Recipient status
- incubate start-up groups or initiatives
- community support programs in developed or developing environments or countries.

The most common reason to consider being auspiced by AP is the need to quickly and easily satisfy grant funding requirements that the organisation, group or individual is not able to independently meet, for their project. Their project can also benefit from the management, infrastructure, insurance protection and resources of AP, which are made available to them, depending on the objectives of the project, and its corresponding agreement.

AP believes that when an organisation, group or individual only wants to run a short term project, or is exploring a model and wishes to trial an idea before committing to an organisational structure, auspicing offers a neat, flexible, efficient, and easy to achieve solution. Completing a project under the auspices of AP provides quick access to the DGR status of AP, and recognised governance statuses.

In principle, before agreeing to auspice another organisation, group, or individual, AP aims to:

- Ensure that the project or activities for which the funding is sought by the auspicee are satisfactory, and furthers AP mission or objectives in some way, and are on the same page philosophically and ethically
- When applicable, and available, check the auspicee constituent documents for example, constitution, rules, by-laws, in order to ensure that entering into the auspicing agreement is consistent with the objects and powers of the organisation
- Ensure the auspicee has the credentials, time and sufficient funding to deliver the project in the agreed timeframe. If the project fails to complete, this may damage AP reputation and leave AP exposed under the auspiced project funding agreement.
- If AP does not assume any responsibility for the success or completion of the project, and AP overall responsibilities are limited to assisting the auspicee to procure funding for the auspicee's project, this should be clearly spelt out in the auspice agreement.

3 Auspicing Process

In the first step, the auspicee approaches AP Director for provisional approval or rejection. If deemed to be appropriate then approval is sought from the management committee who will decide if the project is consistent with AP's mission and furthers the purposes of AP in some way. In circumstances where a project involves several organisations, the project and activities must fall within the aims and purpose of each respective organisation.

The management committee may reject the application if:

- There is excessive risk involved in auspicing a project.
- The project may jeopardise tax concessions.
- The relevant documents, due diligence or insurance are not given appropriate consideration.
- The project fails to further the purposes of AP or is inconsistent with AP mission.

Before entering into an auspicing agreement and before undertaking any project activities, AP management committee may wish to speak with the ATO or ACNC (or both) to understand any impact on its concessions and status and may seek legal advice.

Before entering into an auspicings agreement and before undertaking any project activities, the auspicee must understand that an AP management fee will be included in the agreement and negotiated according to the nature of the responsibilities undertaken by AP.

The next step for AP is coordinating the required tasks and for making the relevant arrangements on behalf of the auspicee. Then an auspice agreement must be agreed upon and signed by AP and the responsible persons for the auspicee organisation, group or individual which have been listed in the agreement. This agreement is considered a legally binding contract. It sets out the legal obligations regarding the roles and funding relations between AP and the auspicee.

4 Auspicings Practice

These practices are not a set of procedures or rules, but rather a set of adaptable actions.

At a minimum, the following steps need to be followed by AP:

- take in grant funding, negotiate the funding agreement and assume responsibility to the funding entity for the performance of the funding agreement
- either provide the funding to the auspicee or arrange for payments to be made as and when required
- provide administrative, operational and regulatory support to the auspicee
- provide information required for grant acquittals
- take in donations to provide funding for the project
- if applicable, assist with seeking sponsorship funds and negotiate sponsorship agreements
- provide tax deductible receipts (if appropriate)

At a minimum, the following steps need to be followed by the auspicee:

- approach AP Director for provisional approval or rejection
- auspicees must be financial AP members for the duration of the auspicings agreement
- provide written Implementation Plan with documentation of project idea, possible timeline, outline of steps involved and Project Budget.
- outline in what way their project is consistent with AP's mission and furthers the purposes of AP in some way
- If applicable provide assistance and information required for seeking donations, sponsorships and or grants

4.1 Management fees

Each auspicings agreement will have an associated management fee applied as a percentage of the total budget value of the project. This specific fee is determined at the agreement stage between the Auspicee and AP and will be recorded in the auspicings agreement. Fees will be

deducted from the donated monies or grant monies at the time of deposit in the AP bank account.

4.2 Insurance

Sometimes AP will provide access to insurance, and sometimes the auspicee will seek their own insurance and provide evidence of this. For instance, depending on the nature of the project, workers compensation and public liability insurance may be necessary to mitigate risks associated with completing the project. Other categories of insurance may also be relevant, such as volunteer personal accident insurance, travel insurance, practitioner insurance and insurances to protect assets and equipment to be used in respect of the project. AP may need to notify its insurance broker and review its insurance policies if it intends to extend its insurance protection to the auspicee.

Alternatively, the parties may agree that the auspicee will purchase a specific policy to cover the auspiced project and will provide AP a valid certificate of currency for each insurance policy.

In addition, a party may agree to indemnify the other from and against loss, damage or liability suffered as a result of the project. If such agreement is given, the indemnity may be a continuing obligation, separate and independent from the other obligations of the parties under the auspicings agreement.

4.3 Organisational and administrative support

The parties need to determine the level of organisational or administrative support that will be provided by AP to the auspicee. This will depend on the nature of the project and the resources of both the auspicee and AP.

The roles of the parties should be clearly defined before the auspicings relationship begins to ensure that the project can be managed effectively and that an undue or unexpected burden is not placed on one party. For example, the auspicee may require financial administration support regarding funds raised, such as the establishment of a bank account, the issuance of receipts or compliance with financial accountability requirements of funding bodies.

The parties should also consider how to distribute surplus funds available, if any, at the conclusion of the project, taking into account the terms of the funding agreement, and compliance with relevant administrative and regulatory requirements. The parties should also consider how to manage any deficit in funds not received from any source of funding or for any expenditures incurred beyond the proposed budget for the project.

4.4 Office and project space

If any office space or other property is required for the project, the parties need to consider who is responsible for locating those premises and for paying any fees associated with the use of those premises (including any insurances, rent and utilities).

In some instances, as part of the auspicing relationship, AP will provide the auspicee with access to and the use of its premises and facilities. Before starting the auspicing relationship, the parties should consider the extent of that access and whether there will be any restrictions placed on the auspicee in respect of the use of the premises.

Occupational health and safety (OHS), confidentiality and privacy issues should also be considered in relation to the project space – for example, will research data, patient files, confidential or sensitive personal information be accessible by the auspicee and is this appropriate or subject to existing restrictions in AP policies or agreements with third parties or under applicable laws?

4.5 Grant administration

The parties need to consider what is required to secure funding from grants, donations or sponsorships and which party will be responsible for taking those steps. The parties need to ensure that they are able to comply with any terms and conditions of the funding which are required by the funding body.

In considering whether they are able to comply with the terms and conditions of the funding, the parties need to allocate specific tasks to each party. The parties may need to include in the auspicing agreement which party is responsible for obtaining reimbursements and for preparing reports and acquittals to be provided to the funding body. While funding may, in some instances, be sufficient to complete the project, the parties need to carefully consider how to fund the project if there is a shortfall in the funding and who will be responsible for the shortfall.

4.6 Publicity

The parties need to decide how to manage announcements and communications with the media and other third parties. A media plan and communications strategy should be considered by the parties if there is likely to be significant contact with the media or other third parties (including the community). This will ensure that the parties can manage the publicity relating to the project and that publicity is consistent with the parties' intentions before, during and after the implementation of the project. Parties should also consider and agree how the project will be described and branding of the project.

Often grant funding bodies require the display of certain logos and statements to acknowledge the source of funding. This obligation, usually of AP, should be written in the Auspicing Agreement to ensure the auspicee is aware of the requirement and complies accordingly. The parties to the auspicing arrangement may also wish to agree on how their relationship and co-operation is to be described and promoted. (also see 4.7 The intellectual property section below).

4.7 Intellectual property created as a result of the project (IP)

If any IP is created as a result of the project, for example – content, trade marks, patents, designs or other intellectual property like artistic works, books or website content, the parties

must consider whether registration of that IP is necessary to ensure its protection against use by a third party. This is particularly the case if the relevant IP is intended to be used as part of the activities of either party after the completion of the project.

In addition, the parties need to determine who owns the IP produced as part of the arrangement and the way that IP can be used by both parties. This needs to be decided at the start of the project and outlined in the auspicing agreement. IP ownership must be reviewed annually. This should cover the time during auspicing as well as after it has ended. For instance, the auspicee may be entitled to the ownership of the IP, but AP may be provided with a licence to use the IP to promote their involvement in the project.

4.8 Other Intellectual property (IP)

The parties also need to ensure that the IP that they are proposing to use to complete the project doesn't infringe the IP rights of a third party. Both parties need to plan how the IP they are proposing to use to complete the project will be used by the other party. If appropriate, both parties may simply retain their respective ownership of IP rights which existed at the date of execution of the auspicing agreement or which were, are or will be developed independently of the auspicing agreement. The use of the IP rights may be subject to an exclusive or non-exclusive licence on a fee or royalty free basis. The parties will also need to agree on the purpose and the extent of the use of the IP rights necessary to perform the auspicing agreement. These should be outlined in the Auspicing agreement (see Annex 2)

4.9 Work health and safety

The law imposes strict obligations in relation to work health and safety (WHS). There are severe penalties (including civil and criminal penalties) that flow from a party's failure to observe its WHS obligations. In this regard, the parties need to consider what WHS procedures or policies are necessary to ensure the safe completion of the project, and any necessary insurances: privacy policies; research policies or working with children check.

4.10 Termination and non-completion

The parties need to consider how to manage their relationship in circumstances where the project doesn't complete or if a party is unable to complete the project for any reason. The auspicing agreement should clearly set out an exit mechanism. This should provide the parties with guidance on how to terminate their arrangement if the project is incapable of being completed. It should include the consequences of termination and what is to occur with respect to funding remaining in an incomplete project, or in a project that is fully executed under budget.

In any case, the parties will need to make sure the exit mechanism is consistent with the terms of any funding agreements to ensure that AP doesn't breach those agreements and become liable in any way if the project fails to complete.

This needs to be included in the Auspicing Agreement.

4.11 Unwanted employment arrangements or partnerships

Sometimes the auspicee undertakes nearly all the work, but at other times AP and the auspicee will work closely together to complete the funded project. In these situations, it's important that AP and the auspicee don't inadvertently fall into a partnership or an employment relationship. Such relationships can arise under law, even if the parties didn't intend this. The result may be unwanted obligations on the parties.

An auspicating agreement will usually confirm that the parties acknowledge that nothing in their agreement creates any relationship of partnership or employment between the parties. However, even though the parties expressly state the intention of their relationship, this may not prevent the relationship from being classified as a partnership or employment relationship at law. If the parties are concerned that their relationship creates a partnership or employment relationship, they should seek legal advice to determine the impact this has on the obligations of both parties.

Also consult AP [Collaborative Research Policy](#)

5 Communication with the Auspicee and Donors

The following steps need to be followed:

1. Approval for the Auspicating arrangement is given by AP management committee
2. The Marketing and Sponsorship Manager meets with the auspicee to determine the level of each party's obligations regarding communication with each other; the general public; social media; donors and potential donors.
3. Each party's obligations, the level of communication necessary is then included in the Auspicating Agreement.

Auspicees who are communicating with donors or potential donors, must undertake this communication in a planned and coordinated manner. This must happen in collaboration with the Marketing and Sponsorship Manager, when necessary, to avoid overlapping, conflicting or otherwise inappropriate approaches to current and potential donors. Communication via reports to donors may be written by auspicees in conjunction with AP Marketing and Communications Manager.

This policy acknowledges that fundraising by auspicees may exist on several levels where the communication to donors or prospective donors may be different, based on the materiality of the funds raised, and the complexity of the project being organised.

Also see section of this document 4.5 Publicity, about communication in media prior to, during, and after implementation of a specific project.

6 Standard content of the Auspicing agreement

AP has a standard auspicing agreement form for auspicees wishing to apply for grants or funding with third parties. It needs to be completed and signed by the chosen responsible persons for the auspicee.

Both parties need to complete the agreement, providing full details of the project, budget and arrangements agreed upon between the Auspicee and AP.

The Aurum Project: Auspicing Policy

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