

POLICY STATEMENT NO. 46

EXTERNAL FUNDS

AUGUST 1992

This policy should be read in conjunction with the following Administrative Instructions:

No 51 Operational Guidelines for the Management of Sponsorship;

No 52 Operational Guidelines for the Management of Government and other Grants, and;

No 50 Operational Guidelines- Managing and Accounting for External Funds.

1. OBJECTIVE

Seek and secure external sources of funds and resources to enhance CALM's ability to carry out its responsibilities.

2. BACKGROUND

External funds make an important contribution to CALM's budget. In 1990/91 these funds accounted for over \$2 million, increasing the amount of money available for discretionary allocation.

External funds are funds acquired in addition to CALM revenue (of which only a small proportion is retained by CALM), and the normal Consolidated Revenue Fund (CRF) and Capital Funds provided by Government. External funds generally include special grants made by State and Commonwealth government agencies and funds from independent Trusts, corporate sponsorship, donations and partnerships.

In recent years external funds have played an important role in funding wildlife research and management, reforestation, timber research, Aboriginal training, heritage projects and resource surveys.

External funds benefit CALM through increasing resources, extending the life and reach of CALM programs, as well as providing opportunities for broadening community involvement in its operations.

Potential sponsors and partners can benefit from providing financial support for CALM programs. Benefits include opportunities to improve their corporate image as well as having access to the Department's resources and programs, and access to client groups who use CALM managed lands, waters and facilities.

Traditionally the largest contributor of external funds has been the Commonwealth Government through the Australian National Parks and Wildlife Service, the National Soil Conservation Program, the National Estate Grants Program and the National Afforestation Program. More recently corporate sponsorship has provided the Department with capital funds and resources for various planning and management projects.

The Department recognises that external funds and resources may not always be available, and it is not desirable to depend on external funding to carry out essential operations.

3. DEFINITIONS

For the purpose of this policy:

sponsorship is a contribution either in money or kind, generally by the corporate sector or individuals, with a return or benefit to the sponsor for their investment.

a partnership is an agreement or arrangement between CALM and an organisation or individual whereby each party provides resources to achieve a mutually beneficial project, while at the same time achieving economic efficiencies.

grants are funds or assistance in kind received from other government agencies, statutory authorities and non government organisations, including independent trusts and are usually for specific purposes.

donations are gifts, either in money or kind, by individuals and companies with no expectation of personal benefit or return. Donations include bequests of money, land or objects.

off-set funding is money received from proponent of a development, landuse, activity, or operation to off set the costs imposed on CALM as a result of that activity. Off-set funds result from negotiations with the proponent, or from conditions placed on the development, landuse, activity or operation.

4. GENERAL

4.1 SPONSORSHIP

The State Government can provide CALM with only limited money to manage public lands and wildlife conservation. In recent years the annual budget allocation has not grown in real terms. At the same time the demand on the Department to extend and improve its standards of service has increased. Furthermore, the costs of managing resources and dealing with environmental threats as expected by the community are also increasing.

The idea of community sharing the cost of research and management programs with the Government is gaining support.

The community is increasingly concerned about the environment. Some companies and corporations wish to preserve natural resources, by having environmentally responsible operations, being actively involved in improving the environment, and by halting land degradation. This interest provides CALM with an opportunity to involve the private sector in funding wildlife conservation and land management programs.

Private sector organisations will sponsor projects that promote their image or increase sales. In general, companies are more likely to sponsor projects that appeal to the community and are marketable, for example, research projects involving endangered species.

Some companies may have natural links to a particular project because of their operations affect a particular animal, plant or area. Some companies are already involved in sponsoring CALM research and management programs in Western Australia. These companies believe support for these programs benefits their operations, and improves community life in areas in which they operate.

A coordinated approach is essential to ensure the efficient management of sponsorship funds. This will ensure that the potential for duplication and conflict does not arise in the process of securing sponsors, yet still allows operational units the flexibility to initiate and pursue sponsorship proposals.

Time and resources are required to service and maintain sponsors.

4.2 PARTNERSHIPS AND COST-SHARE SCHEMES

Partnership schemes are innovative methods of increasing resources, skills and community support for a range of CALM operations.

Partnerships between two or more groups often ensure that an activity occurs which otherwise would not have been undertaken.

Partnerships can involve the use of community groups as volunteers, as well as a company's staff to assist in planning, management and research projects. Partnerships have been operating in the United States for several years with outstanding success.

Partnerships can be forged with Commonwealth, State and local governments, as well as the private sector. Partnerships can include all levels of government, private interest groups, senior citizens, youth groups, church groups, correction facilities, schools, colleges, universities, the tourist industry, timber companies, interpretive associations and private business.

One form of partnership is the cost-sharing scheme. The cost of constructing and/or providing certain facilities and services can be shared between the Department and local user groups or organisations who seek to gain through mutual benefit.

Over A\$1.25 million was raised by the US Forest Service from partners for cost sharing schemes in 1989, the first year of its operation. These schemes provide a diverse range of recreational services and facilities.

In applying this concept, CALM would invite interested government bodies, private organisations, interest groups and individuals to register their interest in cost-share projects that would provide improved recreation and information services and facilities.

Alternatively, the Department could negotiate partnerships with other government organisations, individuals and community groups where economics of scale can be achieved.

Partnership schemes can achieve a number of benefits. Not only will individual projects be undertaken, but CALM can also enhance its public image and develop a better community understanding of its role and responsibilities.

Implementation of partnerships will require a number of issues to be resolved, including industrial acceptance, programming, supervision, safety, and insurance.

4.3 GRANTS

Grants are generally available from two areas:

- (i) Grants made by State and Commonwealth Government departments and statutory authorities, which includes research trusts, advisory councils, and boards set up under the direction of government departments.

(ii) Grants made by philanthropic trusts and independent organisations.

The Commonwealth Government provides substantial funds to CALM's budget. In 1990/91 the ANPWS provided over \$1M to CALM for a range of projects, including the Save the Bush Program, the Endangered Species Program and the States Cooperative Assistance Program. Without these funds many important research, management and heritage programs would not be undertaken.

Some of the major grant programs, such as Save the Bush Program are coordinated by an appointed CALM officer, who circulates information and funding conditions internally. Steering committees are convened from time to time to review applications and determine departmental priorities.

Trusts and independent organisations, such as The World Wide Fund for Nature, Australia, also provide funds for specific research and management programs. Specific conditions need to be met to secure funds from such sources.

Like sponsors, granting agencies, including government departments and trusts, also deserve and require recognition. This could include official openings and media coverage. Equally as important is the need to honour the requirements of the funding agreement by providing regular reports to the funding agency on the progress of the grant, both financially and operationally.

If the Department is to obtain grants it needs to ensure that it is eligible for grants, and that it present applications in a manner that addresses the funding criteria.

CALM can also assist other organisations to obtain grants for which the Department is ineligible, but the purposes of which are beneficial to CALM's mission.

4.4 DONATIONS

The CALM Act 1984, Sections 63-70 and 125 makes provision for accepting funds from a range of sources including donations, sponsors, gifts and bequests.

The Nature Conservation and National Parks Trust Account (NC&NPTA) is one way to retain revenue. This Account has received tax deductibility status under the Income Tax Assessments Act. However, to be tax deductible, public