

 <p>MILESTONE Foundation</p>	<p>Grants Policy</p>	Date: February 2018
		Revision No. 3
		Initials
		Signature

1.0 Purpose

This policy sets out Milestone Foundation Limited's grant decision-making criteria.

Milestone Foundation Limited must, at least annually, review the criteria, methods, systems, and policies it uses for consideration of applications for the distribution of net proceeds (section 109, Gambling Act, 2003). The results of the review must be advertised via Milestone Foundation Limited's website.

2.0 Revision History

Date	Revision No.	
February 2018	2.0	Reviewed

3.0 People/Areas Affected

- Members of the Board of Directors
- All employees/contractors working for or on behalf of Milestone Foundation Limited
- Grant Applicants/Recipients
- Department of Internal Affairs

4.0 Policy

4.1 Compliance

Milestone Foundation Limited will comply with all aspects of the Gambling Act 2003.

4.2 Authorised Purpose

4.2.1 Grants will only be made in accordance with Milestone Foundation Limited's authorised purpose. Milestone Foundation Limited's authorised purpose is:

Milestone Foundation Limited may make grants for any charitable purpose and any non-commercial purpose that is beneficial to the whole or a section of the community. Priority funding will be given to education, health and matters that promote and support the Asian culture.

The above authorised purpose includes (but is not limited to) providing grants for:

- a. Increasing access to technology resources to educate and skill people at a primary and secondary level (e.g. the provision of computers and tablets in classrooms, electronic whiteboards, and Wi-Fi access at schools);
- b. Scholarships and prizes for academic achievement (provided the students are selected in a fair and open manner, and are overseen by a recognised educational authority or school board, and provided that they are limited to primary and secondary level);

- c. The provision of non-profit childcare and educational services for children;
- d. Public health services including education, counselling and rehabilitation services;
- e. Providing healthcare equipment to public hospitals and non-profit health clinics;
- f. Relieving poverty through access to advice, support and assistance to recent immigrants to New Zealand including, without limitation:
 - i. Counselling services;
 - ii. Health information;
 - iii. Mediations for family conflicts;
 - iv. Visitation;
 - v. Creating social networks; and
 - vi. Providing assistance and support for other family members who provide care for such persons.
- g. Guidance services aimed at enabling Asian immigrants to settle faster and take up their responsibilities as part of the New Zealand society and so eliminate the possibility of Asian immigrant families being dependant on government social assistance;
- h. The provision of advice and training to Asian immigrants on access to job training and work experience;
- i. The provision of training to assist unemployed Asian immigrants in gaining the confidence and initiative to handle themselves in all aspects of communication and job seeking;
- j. The provision of education and training for the improvement of road safety, with a particular focus on recent Asian immigrants to New Zealand;
- k. The promotion, planning, organising and running of non-profit events that celebrate or concern Asian culture;
- l. Classes that teach Asian languages and culture;
- m. Classes that teach the English language to new immigrants;
- n. The provision of advice, assistance and information about Asian cultures;
- o. Providing milk and breakfasts to decile one schools;
- p. The promotion of health via encouraging participation in amateur sport, including participation in table tennis, badminton and soccer; and
- q. The promotion of public amenities such as parks or museums.

4.3 Decision by Net Proceeds Committee

4.3.1 All final funding decisions are made by Milestone Foundation's net proceeds committee. Grant decisions are usually made monthly. The cut-off date for applications is the last working day of each month. Applications are normally considered on the third Thursday of the following month. Details of all grant applications received, and whether the application has been approved or declined, will be published on Milestone Foundation's website on the Monday following the meeting date.

4.3.2 Grant applications found to be non-compliant will not be approved. In this context, "non-compliant" means grant applications that do not contain all the relevant information, are retrospective, where the application does not comply with Milestone Foundation's authorised purpose, or where there is information that the applicant has received funding from other source(s) for the full amount needed for the purpose applied for. Non-compliance is determined by Milestone Foundation's contractors, based on the information supplied and independent checks undertaken. Milestone Foundation's contractors will endeavour to advise grant recipients of the grounds for the non-compliance, so the non-compliance can be avoided in future applications.

4.4 Distribution and Timing of Distribution

4.4.1 A substantial portion of the net proceeds received during a financial year will be distributed to the community for authorised purposes on at least a quarterly basis.

4.4.2 All net proceeds received during a financial year will be distributed to the community for authorised purposes within three months following the end of that financial year.

4.5 Grant Forms

4.5.1 Grants will not be approved unless the application is on Milestone Foundation's grant application form (this may include an online grant form).

4.6 Record Keeping and Website Publication

4.6.1 The following records will be kept in a database format and published on Milestone Foundation's website:

- the name of every organisation that has applied for funding;
- whether the grant has been accepted in full or declined in full;
- whether the grant has been accepted in part and declined in part;
- if the grant has been declined in full or in part, the reasons for that decision;
- the amount of the grant; and
- any "interest" that Milestone Foundation's net proceeds committee has in relation to any successful grant applicant.

4.6.2 The following additional records will be kept in various formats, but will not be published:

- the date that each grant is made (the date of the meeting/decision);
- the specific purpose of the grant;
- the cheque number or direct bank payment transaction details;
- grant request ID number; and
- the signatures of the persons approving the grant.

4.6.3 A net proceeds committee member has an interest in a recipient of a grant if:

- the member may derive a financial benefit from the grant or may have a financial interest in the recipient; or
- the member is a part of the immediate family of the recipient; or
- where the recipient is an organisation, club, society, or association, the member is:
 - an officer or a member of the recipient; or
 - a part of the immediate family of an officer or a member of the recipient; or
 - the member is, or has been, the recipient's lawyer or is under a professional obligation to the recipient in another professional capacity; or
 - the member is, or has been, employed by the recipient, or is, or has been, indebted to the recipient, or is, or has been, involved in business or financial dealings with the recipient; or
 - the member is otherwise connected to or involved with the recipient in a way that can reasonably be perceived as having influenced the decision to make the grant to the recipient.

Part of the immediate family means a person who is the member's

- spouse, civil union partner, or de facto partner; or
- parent, child, sister, or brother; or

who is the parent, child, sister, or brother of the member's spouse, civil union partner, or de facto partner.

4.6.4 The grant application and all supporting information will be retained by Milestone Foundation if the application is successful.

4.7 Conflicts of Interest

4.7.1 Decision-makers must be fair and impartial and act in accordance with natural justice principles and integrity at all times.

4.7.2 The best way to deal with conflicts of interest is to avoid them. If this appears problematic, disclosure or third-party evaluation is essential. Where informed waiver is not possible or desirable, stepping aside from the decision-making process is required.

4.7.3 When a director or senior staff member/contractor has an interest in any proposal considered by the Trust, that conflict of interest must be raised by the director or senior staff member/contractor, and recorded in the Trust's minutes. The director or senior staff member/contractor will be excluded from all discussions of the net proceeds committee in relation to the proposal, and will not be entitled to vote on the proposal.

4.7.4 Any reward or benefit received by a director or senior staff member/contractor must not have any condition attached to it requiring the Trust to do something or omit to do something.

4.8 Payments

4.8.1 Generally, grants will be paid directly to the grant recipient by direct credit within one month of the application being approved. In instances where the funds have been provided for activities/projects that will not occur within the ensuing six months, these funds may be held until written confirmation is received to show that the project/activity is nearly underway. If these funds are not requested within the financial year that they were approved, the grant may be withdrawn.

4.9 GST

4.9.1 When a grant recipient is GST registered, a grant will only be made for the GST exclusive component.

4.9.2 When a grant recipient is not GST registered, a grant may be made for the full GST-inclusive cost of the good or service.

4.10 Reasons

4.10.1 Grant applicants will be provided with reasons for Milestone Foundation's decision if Milestone Foundation decides to decline a grant application or not approve an application in full.

4.11 Complaints

4.11.1 Complaints can be made to Milestone Foundation by writing to the Trust. Milestone Foundation will advise complainants of their right to complain to the Department of Internal Affairs if they are unsatisfied with the way their complaint has handled.

4.11.2 Complaints about the conduct of Milestone Foundation may also be made direct to the Secretary of the Department of Internal Affairs at: PO Box 10-095, Wellington.

4.12 Audit Requirement

4.12.1 Unless a later date has been agreed upon by Milestone Foundation, the grant accountability documentation (including invoices and bank statements) must be provided to Milestone Foundation within three months of the grant being made.

- 4.12.2 As required by section 115A of the Gambling Act 2003, grant money may only be used by the grant recipient for the specific authorised purpose for which it was granted. The grant recipient commits a criminal offence if section 115A is breached.
- 4.12.3 If the funds are not spent for the specific purpose granted, Milestone Foundation will request a refund. If a funding surplus exists, the surplus must be returned to Milestone Foundation.
- 4.12.4 Where information is obtained by the net proceeds committee indicating that a grant recipient has received funding from other source(s) for the full amount needed for the purpose applied for here, the net proceeds committee will take reasonable steps to obtain a return of the money from the grant recipient.
- 4.12.5 If the grant recipient has breached section 115A (failed to spend the funds on the specific purpose granted or failed to comply with a grant condition) and the money has not been returned, Milestone Foundation will consider referring the matter to its solicitors for recovery action, and/or to the Police or the Department of Internal Affairs for prosecution. Further, any other suspicion of fraud or potential criminal offending by a grant recipient will be notified to the Department of Internal Affairs.
- 4.12.6 A random sample of grants will periodically be independently verified by Milestone Foundation to ensure the funds have been spent as stated in the audit documentation. The verification may include telephoning grant recipient suppliers, visiting grant recipients and reviewing photographs and other evidence supplied.
- 4.12.7 The timeframes set out in this policy may be extended at Milestone Foundation's discretion.

4.13 Grant Promises Prohibited

- 4.13.1 Agreements promising to provide grants to potential grant recipients from proceeds that have not yet been generated will not be entered into (except as set out in paragraph 4.16 below).
- 4.13.2 Board members and all employees/contractors working on behalf of the Trust will not promise or imply the approval of particular grant applications prior to their proper consideration.

4.14 Grant Influence – Section 113

- 4.14.1 Milestone Foundation's venue key persons cannot have any input or influence in Milestone Foundation's grant process. Venue key persons are:
- the venue manager (defined as the person responsible for supervising the gambling and venue personnel at a Milestone Foundation class 4 venue and for banking the proceeds of class 4 gambling);

- the venue personnel (defined as the persons who work at a Milestone Foundation class 4 venue and whose work involves dealing with gambling equipment, gamblers, or the proceeds of gambling);
- the venue operator (defined as the occupier of a Milestone Foundation class 4 venue who owns the primary business at the venue);
- the venue operator's directors, chief executive and senior manager;
- any person who has a significant interest in the management, ownership, or operation of a venue operator;
- a person who has the ability, directly or indirectly, to exert a significant degree of influence over the management or operations of a venue operator; and
- a person contracted to service Milestone Foundation's gambling equipment.

4.14.2 Persons who have a significant interest in the management, ownership, or operation of a venue operator include:

- people with a financial or ownership interest in the business operating at the venue, or the venue premises;
- people with the power to make decisions that would normally be made by the directors, chief executive or senior management of the venue operator; and
- people undertaking or being responsible for duties that are normally the responsibility of the venue manager (e.g. being responsible for the timely banking of gaming proceeds).

4.14.3 Venue key persons must not provide grant application forms to potential grant recipients.

4.14.4 Venue key persons cannot provide goods or services to Milestone Foundation, apart from the services listed in their venue agreement. For example, if a venue key person also had a photocopier business, the venue key person could not sell a photocopier to Milestone Foundation.

4.14.5 Venue key persons cannot provide goods or services to third parties and be paid from grant money which is derived from Milestone Foundation. For example, a venue could not provide catering services to a hockey club if the hockey club plans to use grant proceeds to pay for the food.

4.14.6 Venue key persons cannot be involved in decisions about who will provide goods or services to a third party, if payment is being made from grant money that is received from Milestone Foundation. For example, if a venue key person were also a committee member of a community organisation that received a grant for painting from Milestone Foundation, the person could not have any input as to which painter the community organisation employs, if the painter is to be paid from grant money.

4.15 Venue Key Persons Conflict of Interest Register

4.15.1 Milestone Foundation Limited shall have an internal system to check that the venue key person requirements are adhered to. All grant applications and quotes will be checked by Milestone Foundation Limited staff against a key person register. If any application is signed, supported or makes any reference to a venue key person the application will be declined. If any application indicates that a venue key person has assisted to obtain quotes or been involved in any decision as to how grant money will be spent, the grant will be declined. If any application indicates that the venue key person will be providing goods or services to the grant recipient using the grant money, the grant will be declined.

4.15.2 Milestone Foundation Limited's grant application form will also require the applicant to formally declare that they will check that no payment will be made to any venue key person. The declaration will state:

Organisation Declaration

We declare that:

- The information provided in this application form is true and correct to the best of our knowledge.
- We have the authority to make this application on behalf of the applicant.
- This application has not been completed by a person who has any management or ownership interest in a Milestone Foundation Limited venue that hosts gaming machines ("a gaming machine venue key person").
- When any grant money is obtained the persons who decide how that money is spent will not be Milestone Foundation Limited gaming machine venue key persons.
- When any grant money is obtained a check will be undertaken and no payment will be made from grant money to any Milestone Foundation Limited gaming machine venue key person for any goods or service.

We (the undersigned) make a solemn declaration conscientiously believing the same to be true and by virtue of the Oaths and Declarations Act 1957.

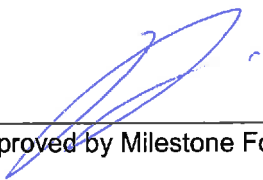
4.16 Grant Commitments – Multi Instalment Grants

4.16.1 Grants will only be made from available net proceeds. However, grants may be made by instalments in one or more years, if the following conditions are met:

- the grant commitment must not exceed 4 years; and
- the grant applicant must be made aware, on or before the time that the first instalment of the grant is paid, that payment of any future instalments of the grant is conditional on –
 - Milestone Foundation continuing to hold a licence; and
 - Milestone Foundation continuing to have available net proceeds; and

- the specific authorised purpose for which the grant was made continuing to be lawful; and
- each instalment of the grant must be re-confirmed by the net proceeds committee before payment; and
- the grant applicant must provide the net proceeds committee with documentary evidence that previous instalments of the grant have been spent for their intended purpose; and
- Milestone Foundation must disclose the existence of multi-year grants it has entered into in its financial accounts and publish the details of its multi-year grants with its other grant information on its website.

4.16.2 Subsequent instalments of multi-year grants are made in principle, i.e. the existence of the future instalments is strictly conditional upon the above criteria being met.



Approved by Milestone Foundation Limited Board

17, 05, 2018