



## **Governance Framework**



## Queensland Community Foundation - Governance

The Queensland Community Foundation (QCF) provides a perpetual income stream to Queensland charities, creating lasting change for vulnerable or disadvantaged Queenslanders and comfort for donors that their donations are making a difference in perpetuity.

### Governance structure

QCF is one of the many charitable trusts that the Queensland Public Trustee (QPT) operates. In fact, QPT manages 21 trusts registered with the Australian Charities and Not-for-profits Commission (ACNC) and more than 500 trusts created from wills in its Trust Service Centre. Additionally, QPT manages over 2000 trusts for minor beneficiaries.

The QCF is a perpetual public charitable trust, formed under a Trust Deed Poll executed by the Public Trustee of Queensland (QPT) on 4 February 1997 (and subsequently amended by Deeds of Amendment dated 19 March 2002, 26 April 2002, 22 July 2004 and 21 December 2016. Under that Trust Deed Poll, the QPT is the Trustee of QCF.

The Public Trustee of Queensland has ultimate responsibility and authority for the management of the trust, including approving changes to governance arrangements and delegations relating to QCF. The Public Trustee is required to operate within the requirements of the *Public Trustee Act 1978*, meet obligations as part of the Queensland Government public sector, as well as meet the legislative and regulatory requirements of trustees and the Australian Charities and Not for profits Commission (ACNC).

The Public Trustee is assisted by the QCF Board of Governors, a group convened under the QCF Trust Deed Poll in an advisory capacity and provides advice and recommendations to QPT in relation to strategy and policy issues for QCF.

QCF Management Co. Ltd is a company limited by guarantee, formed under the *Corporations Act 2001*. QCF Management Co. Ltd is responsible for the employment and supervision of staff, as well as the provision of management, marketing and administrative services to the Foundation. The Company is managed by a separate Board of Directors.

The governance structure is outlined at a high level as per the breakdown below:

<b>Queensland Public Trustee as Trustee for QCF</b>	<b>Board of Governors</b>	<b>QCF Management Co Ltd</b>
<ul style="list-style-type: none"> <li>• QPT holds the fiducial obligations for the Trust.</li> <li>• QPT is accountable for all decisions made on account of the Trust including independent fiduciary oversight, which includes all administration, financial transactions and governance.</li> <li>• Trustee considers recommendations from the Board of Governors and makes decisions about Grant applications</li> <li>• Trustee services include general administration, investment management, tax management, record management, audit and governance compliance, distribution of income.</li> </ul>	<ul style="list-style-type: none"> <li>• The Board of Governors assists the QPT in an advisory capacity.</li> <li>• The duties of the Board of Governors are to consider the needs of charities, consider all applications made for grants, and or allocation of income. and then make recommendations to the Trustee and promote QCF and philanthropy.</li> <li>• Exercise authority as delegated from the Public Trustee to oversee and implement budgets and plans.</li> <li>• Strategic Initiative recommendations to the Public Trustee.</li> <li>• Oversight of the QCF Grant-Making Committee.</li> </ul>	<ul style="list-style-type: none"> <li>• QCF Management Co Ltd., provides QCF philanthropic management and associated administration functions, including marketing, promotional and grant activities.</li> <li>• Implementation of strategic philanthropic marketing, promotional and grant activities as directed by the Board of Governors.</li> <li>• Oversight of the QCFM Marketing Implementation and Investment &amp; Distributions Committees.</li> <li>• QCF Management Co Ltd. Governance is the responsibility of the QCF Management Co Ltd., Board of Directors.</li> </ul>

## QCF & QCF Management Co. Ltd Committees

QCF & QCF Management Co. Ltd has established Committees under the trust deed and the company's constitution separately which assists in fulfilling its respective duties.

<b>Grant-Making Committee</b>	<b>Marketing Implementation Committee</b>	<b>Investment &amp; Distributions committee</b>
<p>The Grant-Making Committee is a committee of the Board of Governors, the members of which are selected and appointed by the Board of Governors, to advise the Board of Governors on the criteria against which applications for grants will be assessed and for assessing grant applications received by QCF against those criteria.</p>	<p>The Marketing Implementation Committee is a committee of the Board of Directors of QCF Management Co. Ltd. The members of this committee respectively are selected and appointed by the Board of Directors of QCF Management Co. Ltd to assist the Board of Directors with respect to developing and overseeing implementation of QCF marketing policies.</p>	<p>The Investment &amp; Distributions committee is a committee of the Board of Governors, the members of which are selected and appointed by the Board of Governors, to advise the Board of Governors in relation to the monitoring and reviewing investment objectives and considering the amount of distribution each year including capital and income apportionment</p>

## Public Trustee of Queensland oversight and governance entities

In addition to QPT and CEO's responsibilities, several committees, boards and external organisations provide a role in the governance of the Public Trustee including the broader financial and risk considerations for QPT.

<p><b>Board of Management</b></p> <p>QPT's functions are specifically overseen and monitored by its Board of Management (BoM). This includes special, as well as standing, agenda items at BoM meetings.</p> <p>The BoM is the senior leadership, planning and governance group of the agency. BoM is supported by the Executive Leadership Team (ELT), which provides insights and advice to support the organisation.</p>	<p><b>Public Trustee Advisory and Monitoring Board</b></p> <p>Established under the <i>Public Trustee Act 1978</i>, monitors and reviews the performance of QPT's functions. It will monitor complaints, and provide advice and recommendations regarding improvements to policies, practices and services – this will also include consideration of fees and charges matters.</p>
<p><b>Audit and Risk Management Committee</b></p> <p>An independent advisory body established to assist QPT in fulfilling the Accountable Officer's responsibilities under the <i>Financial Accountability Act 2009, Financial and Performance Management Standard 2009</i> and other relevant legislation.</p> <p>Membership includes three external expert members. The Audit Risk and Management Committee (ARMC) assists with reviewing the following:</p> <ul style="list-style-type: none"> <li>▪ financial statement preparation processes and oversight</li> <li>▪ risk management framework</li> <li>▪ fraud and corruption control framework</li> <li>▪ internal audit plans for endorsement</li> <li>▪ actions from internal and external audit reviews.</li> </ul>	<p><b>The Public Trust Office Investment Board</b></p> <p>The Public Trust Office Investment Board (PTOIB) was established under section 21(1) of the <i>Public Trustee Act 1978</i>.</p> <p>The functions of PTOIB are to control and manage the investments of the Common Fund, and to provide advice to the Public Trustee on the investment management of the Public Trustee of Queensland Investment Trusts (the Growth Trust and the Australian Foundation for Charitable Trusts).</p> <p>The Australian Foundation for Charitable Trusts is the investment vehicle for our Charitable Trusts.</p>

## Queensland Audit Office

Queensland Audit Office (QAO) is the official Auditor of QCF and audits the Trusts financial reports. QAO meets with the charitable trusts team and QPT's finance team in preparation of the audit review.

This includes reviewing the systems of governance across all QPT's business lines including trust and charitable trusts. QAO attends QPT's ARMC meetings.

## QCF Investment Strategy

In 2021, QPT, in consultation with its Investment Manager – the Queensland Investment Corporation - established a new investment strategy for charitable trusts to improve investment income earnings and provide more funds for charitable works including supporting vulnerable Queenslanders.

The PTQ is the trustee and manager of the Australian Foundation for Charitable Trusts (AFCT) and is responsible for determining the investment objectives and strategy, arranging for the proper investment of all monies, and ensuring that the Investment Manager achieves acceptable rates of return.

QIC Limited (QIC) is the investment manager of the Growth Trust. A government owned corporation established in 1991, QIC is a leading provider of investment management services to government entities, superannuation funds and other institutional investors.

QPT in conjunction with QIC reviews the AFCT fund. The AFCT has over 20 trusts investing into the fund and QCF is 100per cent invested into the AFCT, in line with the recommended investment strategy.

QPT has had a legislative obligation to apply the Prudent Person Rule when making investments for customers since 3 February 2000 when the *Trusts (Investments) Amendment Act 1999* amended Part 3 of the *Trusts Act 1973*, removing the statutory list of investments trustees could make.

QPT must demonstrate compliance with this rule when making investment decisions for its customers, including charitable trusts.

## Complaints

QPT has a formal policy for dealing with concerns and complaints – see our [Complaint Management Policy](#) and our [Resolving Complaints leaflet](#).

## Australian Charities and Not for Profits Commission

The ACNC is the national regulator of charities and as Public Trustee as Trustee for QCF it has an obligation to meet the ACNC guidelines and reporting requirements. Each year QPT lodges the necessary reports with the ACNC.

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