

SUMMARY AND OUTLINE

Upper Yarra Community Enterprise Limited operates the Warburton and Yarra Junction Community Banks. A cornerstone of the **Community Bank** model is the sharing of profit with the community, and since opening our doors in 2000, we have supported more than 200 community groups, organisations and projects with sponsorship funding amounting to more than 4.4 million dollars.

With up to 80% of profits reinvested into the Community, our commitment to Community is offered through the following key channels:

1. Sponsorship program, by application, comprising three rounds per year
2. Ongoing Club Sponsorship program, available to sporting clubs, annual program
3. Club Referral and Incentive program
4. Club Rewards Referral program
5. Club Support Program
6. Youth, annual Geoff Vickers Youth Scholarship and annual Ian de la Rue Youth Initiative Award

** For the remaining 2020 and 2021 sponsorship rounds special consideration will be given to sponsorship applications that support recovery post COVID-19 **

This Policy guides us in the determination of support.

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Updates and Online Applications and Acquittal forms are available on our website:	
www.upperyarra.net.au/sponsorship	www.upperyarra.net.au/youth

OUR VISION

To be integral in building community capacity for a vibrant, resilient and sustainable Upper Yarra region

OUR MISSION

To resource, encourage and promote opportunities essential to sustaining a vibrant community through banking and beyond

TYPES OF COMMUNITY INVESTMENT - DEFINITIONS

1. Sponsorship

Definition: A business investment. The purchase of association with an event, entrant, project, activity or organisation undertaken to achieve customer acquisition opportunities. Aims to increase brand awareness, positively influence individual and community perceptions of our brand, connect further with our target markets and add value to our relationship with them, communicate key messages and increase our customer base.

Sponsorships must align with Bendigo Bank's corporate image and Upper Yarra Community Enterprise's identity as a community-based organisation. Staff and families of the Company are eligible to apply for sponsorships for their community organisation.

A Project Completion Report (Acquittal) is required on completion.

2. Donation

Definition: The provision of financial support with fewer business outcomes expected in return.

Donation recipients are required to have a Deductible Gift Recipient (DGR) status endorsed by the ATO.

3. Grant

Definition: Generally given for project/program based initiatives, which create community and social outcomes. These are provided through the Community Enterprise Foundation (CEF) after being referred from the Community Investment Committee. *Referral does not constitute approval of the proposal

4. Equity

The purchase of equity in assets or enterprises of benefit to the community. This method of investment builds the community balance sheet, addresses community need and can be tailored to focus on identified priorities.

5 Not for Profit

Not-for-profit (NFP) organisations are organisations that provide services to the community and do not operate to make a profit for its members (or shareholders, if applicable).

6. Community Based organisation.

Community based organisations (CBO's) are non-profit groups that work at a local level to improve life for residents. The focus is to build equality across society in all streams, examples being - healthcare, environment, quality of education, access to technology, access to spaces and information for the disabled.

TIMING

We offer three **Sponsorship Rounds** per year, with applications to be made online. Proposals are assessed by the Community Investment Committee with their recommendations made to the UYCE Board to guide their final decisions.

Applications close on the following dates:

Round 1: Midnight 2nd Sunday July

Round 2: Midnight 2nd Sunday October

Round 3: Midnight 2nd Sunday February

Outcome notifications are provided to all applicants, and as a guide this will be by 2nd Sunday of the month following the round close date.

Our **Club Ongoing Sponsorship Program** is targeted at sporting clubs and addressed separately. It is conducted annually with Distributions occurring each July.

ELIGIBILITY OF APPLICANTS

Applicants for a community investment must:

- ✓ Be a Not For Profit and/or Community Based Organisation
- ✓ Not an individual
- ✓ Have a valid Australian Business Number (ABN) or Incorporation Number (INC)
- ✓ If no ABN or an ineligible ABN have engaged a Project Partner (Auspicing Organisation) with an ABN willing to support and work with you to deliver your project, and that they demonstrate preparedness to act in that capacity.
- ✓ Have satisfactorily acquitted any previous funding received from UYCE
- ✓ Include a budget with quotes, and a breakdown of project expenses (including auspicing fees if applicable)
- ✓ Include written evidence of any other income received in support of this proposal eg if you have been awarded other funding for the project; OR have other funding applications/sponsorship applications pending

PROPOSAL CRITERIA

Proposals must demonstrate that they meet a minimum of two of the following criteria.

- ✓ Be based within or service the Upper Yarra District, i.e. Postcodes 3799 and 3797
- ✓ Assist in meeting people's needs for food, clothing and shelter.
- ✓ Add to the extent to which people are willing and able to associate with each other
- ✓ Assist job creation, new enterprise or economic development.
- ✓ Be relevant to the wider community
- ✓ Enhance and promote new infrastructure and services
- ✓ Retain capital within the community
- ✓ Add to the extent to which people can participate in the governance of their community.
- ✓ Build community-wealth rather than individual or privately-owned assets.
- ✓ Be designed to build a stronger, more capable community.

Community Investment monies **ARE NOT**:

- Available to an individual
- Intended to be used to support business costs such as staff salaries and general operating costs, except in Year One where it MAY BE available as an establishment cost.
- Available for retrospective funding

Capital Projects:

In the case of capital projects, for example repairs, maintenance, improvement or purchase of assets, the applicant must make a co-contribution of 50% of funds required unless exceptional circumstances exist. Copies of valid quotes must also be provided.

Capital works or equipment requests must be for the benefit of a wider community than just the members of the applying organization.

Asset Purchases:

In the case of an asset purchase the Applicant must agree to accept two terms which are conditional to the sponsorship offer.

1. In the event of the organisation / group disbanding or ceasing to operate they accept that "the ASSET" returns to, and becomes the property of UYCE Limited
2. Each year the organisation / group must provide an Annual Report, by 31 July, to UYCE Limited on the frequency/use of the asset, and expenses related to the upkeep and maintenance of the asset.

For Profit Organisations:

Organisations operating 'For-Profit' are NOT ELIGIBLE to apply. Exception may be granted if they can conclusively demonstrate their Proposal's environmental, social and economic benefit to the Upper Yarra Community and UYCE's business.

Exclusions

Applications for community investment will be deemed ineligible on the following basis:

- Political or religious organisations where the funding is for religious or political purposes.
- Events or programs that denigrate, exclude or offend minority groups
- Projects that create environmental hazards
- Programs that may present a hazard to the community

- Programs that do not respect the values of the Upper Yarra Community
- Programs that are sponsored by Bendigo Bank competitors
- If an applicant refuses to support the Upper Yarra Community Enterprise, and our Warburton and Yarra Junction Community Bank branches without a valid reason. Valid reasons could include for example - Bendigo Bank does not offer suitable products or services to meet that organisation's needs or the organisation is externally directed to bank elsewhere.

ASSESSMENT CRITERIA

- Benefits to UYCE? Does the proposal give us the best return for our investment? How will the proposal help promote the Bank and contribute to building its business?
- Weighted consideration will be given to requests that best meet the eligibility criteria, that involve programs that improve community capacity/capability.
- Applicants whose request overlaps Community Bank boundaries can be referred through to a cluster / collective for consideration. (Cluster/Collective formation pending as at May 2020). Eg to jointly sponsor AFL Outer East, Animal Aid
- **Festivals & Event** proposals will be subject to the sponsorship proposal criteria and eligibility, however once successful the following MAXIMUM benchmarks will be used to ensure consistency.

Duration of Event	Allocation
1st or one day event/festival	\$2,000
2nd day	\$1,000
3rd and subsequent days	\$500

DELEGATED AUTHORITY OF THE COMMUNITY INVESTMENT COMMITTEE (CIC)

In exceptional / one off circumstances the Community Investment Committee (CIC) is authorised to spend up to \$5,000 on a single proposal OUTSIDE of the promoted sponsorship rounds provided the majority of the Committee are in support. The amount of any approvals will be deducted from the budget of the next sponsorship round. There must be sound reason why the proposal is not able to wait until the next round.

*Preference is to consider ALL proposals within the nominated rounds to ensure that they are assessed and evaluated against all other proposals.

Funds held in the Community Enterprise Foundation accounts (3) will be added to the Community Investment Budget which is overseen by the Community Investment Committee.

The three accounts currently held under the CEF are: Tax Concession Charity TCC; Deductible Gift Recipient DGR; Youth Foundation. The requirement being that the applicant hold TCC or DGR status.

The Executive Officer/Managing Director is authorised to refer applications direct to the Community Enterprise Foundation as they are received should they meet the UYCE and CEF Criteria. For UYCE the MD views that the applicant meets the criteria of the CIC, and is likely to be approved by the CIC. For CEF the applicant must have charitable status. Typically this process may be adopted to fast track the application to the CEF rather than wait until the next CIC meeting.

*This does not constitute approval of the application by the CEF.

COMMUNITY INVESTMENT BUDGET

The monetary allocation for Community Investment will be calculated in conjunction with the Company's Annual Forecasting and Profit Distribution and will be subject to adjustment during the year. The Community Investment budget will be the difference between the Company's forecast gross profit before tax and Community Investments and the amount required to pay the desired franked dividend. Up to 25% of the available funds will be available as required for community and or economic development initiatives identified by the UYCE Board. Funds held in the Community Enterprise Foundation accounts will be in the control of the Community

ONGOING CLUB SPONSORSHIP PROGRAM

There are numerous organisations, sporting clubs for example, that approach UYCE every year for the same amount of money and offer the same in terms of brand promotion. These sponsorship arrangements, referred to as "Ongoing Sponsorship" will be renewed each year, and are distributed in July subject to the organization:

1. adequately acquitting the previous year's funds
2. continuing to demonstrate support of growth in the Community Bank business
3. agreeing to promote the UYCE Community Bank brand, through ensuring that the logo appears on club competition uniforms
4. agreeing to promote the UYCE Community Bank brand by displaying signage at their venue (signage cost, and signage installation costs are met by UYCE)

Club	Allocation
Warburton-Millgrove Football Netball	\$2,000
Yarra Junction Football Netball	\$2,000
Powelltown Football Netball	\$2,000
Wesburn Junior Football	\$1,200
Yarra Valley Soccer	\$2,000
Warburton Golf Club	\$1,200
Warburton Bowls Club	\$1,200
Yarra Junction Bowls Club	\$1,200
Warburton Cricket Club	\$1,200
Yarra Junction Cricket Club	\$1,200
Warburton Tennis Club	\$1,200
Total	\$16,400

*A two tier approach is recommended for commencement in the 2020/2021 financial year:
Standard \$1200; Premium \$2000

*Receipt of ongoing sponsorship does not exclude groups from submitting applications under the Sponsorship Round program detailed above.

CLUB REFERRAL AND INCENTIVE PROGRAM

UYCE will participate in the Standard Bendigo Bank Club referral scheme. The process will be as follows:

1. Clubs will be invited to sign up to the Club Referral & Incentive Program
 - a. Clubs invited to meet with Staff (at either Yarra Junction or Warburton) and apply to join the referral scheme (4 week process)

- b. Once registered, Clubs are provided with a unique club code
 - c. Customers who quote their unique club coded are automatically registered when new applications are made for bank products
 - d. Standard Bendigo Bank Club referral scheme applies for various products once they are approved
 - e. In addition to the standard program UYCE offers an extended Incentive scheme of \$1,000 for 3 new settled home loans within a financial year, and a further \$1,500 for 5 new settled home loans
- 2 Example of UYCE extended incentive scheme
- a. For each home loan of \$250,000 settled Club receives 20% ie \$500.
 - b. For 3 home loans settled Club will receive a further incentive from UYCE of \$1,000; plus a further incentive bonus from UYCE of \$1,500 for 5 home loans settled.

CLUB REWARDS PROGRAM

This reward program relates to bringing across 'new lending customers' only, and for a minimum loan amount of \$500,000. Applies to – New Lending Customers and New Term Deposit Customers.

Delegation is extended to the Bank Manager to offer an incentive up to \$5,000 that meet the Club Rewards Referral program criteria, in consultation with the Managing Director, capped to a maximum of five in a 12 month period. To be allocated sparingly and reported to the Board as it is applied.

CLUB SUPPORT PROGRAM

New for 2020 this UYCE initiative adds another tier to the sponsorship options available to Sporting Clubs. For new accounts opened, customers can nominate the registered Club they wish to support and in return the Club will receive a \$ benefit – “Banking to support your local club”

- The Club must be a New or Existing Customers – (Clubs, Schools or Non-for-Profit Group) to be able to register.
- Current Club committee must agree in writing that the wish to participate in the program.

*Proposal is to initially run the program with current Sporting Clubs - Football Clubs, Juniors and Seniors, Soccer, Bowls, Tennis, Golf and Cricket, to better access recording on a smaller scale prior to extending the roll out to additional clubs / groups.

<u>When you open a new account*</u>	<u>Your Club will receive</u>	
Bendigo Bank Home Loan Product*	\$500,000 Plus -	\$500.00
* payment received after settlement	\$250,000 - \$499,000 -	\$350.00
	\$50,000 - \$249,000 -	\$250.00
	\$0.00 - \$49,000 -	\$100.00
Commercial or Business Loan	By Negotiation	
Bendigo Business or Club Account*	\$50.00	

Bendigo Bank Personal Loan	\$50.00
Bendigo Bank Credit Card	\$50.00
Bendigo Bank Term Deposit*	\$5,000.00 - \$500,000 - \$50.00 \$500,000 Plus - By Negotiation
Bendigo Bank Transaction Account	\$10.00

Terms & Conditions:

* New accounts do not include variations to existing accounts or funds held with Warburton or Yarra Junction Community Bank Branches of Bendigo Bank.

* Bendigo Bank Home Loan Product eligible payments will be received after the loan settlement date.

* Business or Club Accounts must hold a minimum balance of \$100 dollars. One eligible additional account per club only.

* Term Deposit Accounts do not attract additional payments at maturity or if existing accounts are split with no additional funds added.

* Payments to clubs will be made on a quarterly basis or when collective funds exceed \$500.00.

YOUTH

These two youth programs will be managed by the Community Investment committee, who will make recommendations to the Board based on the agreed budget for any year.

Geoff Vickers Youth Scholarship Award

Annual Award, applications open first week in December and close last week in January

Named after Geoff Vickers, a founding member of our Community Bank, the Scholarship aims to assist academically capable and committed, but disadvantaged students, from the Upper Yarra area, who have been offered a place at an Australian university or college for the first time or will be attending a TAFE for the first time studying at a Diploma or Advance Diploma level.

UYCE no longer participates in the CEF Tertiary Scholarship program but instead coordinates its own Tertiary Scholarship program through the Community Investment Committee.

The UYCE Board will allocate a minimum of \$5,000 annually to the Scholarship program.

Successful applicants may reapply for a second year of Scholarship funds if they can demonstrate ongoing hardship and outstanding academic achievement.

The children of staff of both Warburton and Yarra Junction Community Bank branches are eligible to apply for a Tertiary Scholarship.

Applicants must demonstrate that they:

- Are an Australian citizen or permanent resident from the Upper Yarra Region (defined by postcodes 3799 and 3797)
- Will be a first year undergraduate (first attendance at an Australian university) or a first year student studying at Diploma or Advanced Diploma level at TAFE (first attendance at an Australian TAFE)
- Will be studying full-time or part-time (study must take place in Australia)
- Graduated from secondary school in the year of application or took a gap year
- Can demonstrate disadvantage (economic and/or social) that creates considerable obstacles to tertiary study
- Outstanding academic achievement
- Demonstrated local community involvement

Ian De la Rue Youth Initiative Award

Annual Award, applications open last week in September and close last week in October

This award is presented in the memory of Ian De La Rue, first Chairman of our Community Bank, who had a great commitment to our community and a passion for encouraging young people to strive for excellence.

Nominees for the Youth Initiative Award must meet the following criteria:

- The recipient must be under the age of 25 years
- The person must make a positive contribution to the local community
- The person must be based in the local area and the activities benefit people in this area
- The principal intent of the activity must not be for personal private financial gain although it may be that financial gain is achieved because of the grant.
- The nominee should display a degree of innovation in their activities (the activity itself may not be innovative but it may be new in its context)
- The recipient must demonstrate Community Spirit consistent with the principles of Community banking
- The successful nominee will be selected by a committee of directors.
- The successful candidate will be awarded a cheque for \$1000.
- The Board shall allocate a minimum of \$1,000 per annum for this program.
- There are to be no consolation awards or prizes

ACCOUNTABILITY TO SHAREHOLDERS AND COMMUNITY

A list of Community Investment allocations will be published in the UYCE Annual report and listed on the UYCE website, with successful recipients agreeing to this.

All recipients of funding from UYCE are required to acquit their funding annually.

COMMUNITY INVESTMENT Assessment Tool

- Sponsorship Round / Round date _____
- Ongoing Sponsorship
- Exception Sponsorship

APPLICANT NAME	
ASSESSED BY	
ASSESSMENT DATE	

Mandatory – Please TICK for Yes; X for No

* If No for ANY mandatory requirement no further assessment is required

- based within or service the Upper Yarra District, i.e. Postcodes 3799 and 3797
- Be a Not For Profit and/or Community Based Organisation
- Not an individual
- Have a valid Australian Business Number (ABN) or Incorporation Number (INC)
- If no ABN or an ineligible ABN have engaged a Project Partner (Auspicing Organisation) with an ABN willing to support and work with you to deliver your project, and that they demonstrate preparedness to act in that capacity.
- Have satisfactorily acquitted any previous funding received from UYCE
- Include a budget with quotes, and a breakdown of project expenses (including auspicing fees if applicable)
- Include written evidence of any other income received in support of this proposal eg if you have been awarded other funding for the project; OR have funding applications/sponsorship applications pending
- ELIGIBLE for funding to proceed to next step for assessment**

If this assessment is a 'FOR PROFIT' organization EXCEPTION proposal, have the environmental, social and economic benefits to the Upper Yarra Community and UYCE business been conclusively demonstrated.

YES / NO

List below details of any previous sponsorships / grants received by the Applicant in the current or previous 12 months from UYCE.

Project details	Amount

ASSESSMENT POINT SCORING TABLE			
Criteria	Maximum Points	Points scored	Progressive Score
Promoting Bank and contributing to building its business.	15		
Be relevant to the wider community.	15		
Assist job creation, new enterprise or economic development.	15		
Build community-wealth rather than individual or privately-owned assets.	10		
Retain capital within the community.	10		
Enhance and promote new infrastructure and services.	10		
Add to the extent to which people can participate in the governance of their community.	10		
Capital works, 50% of total cost, and benefit for wider community.	5		
Add to the extent to which people are willing and able to associate with each other.	5		
Assist in meeting people's needs for food, clothing and shelter.	5		
TOTAL POINTS SCORED, MAXIMUM 100	100		

*Weighting of points to be determined, a mix of 15, 10, 5 to total 100

RECOMMENDED to proceed to next step for Funding Allocation

Tick one:

- Fund through Community Investment Sponsorship
- Be referred through the Community Enterprise for funding

ASSESSMENT SUMMARY	
APPLICANT NAME	
PROJECT	
FUNDS SOUGHT \$	
FUNDS RECOMMENDED \$	
Special comments	
ASSESSED BY	
ASSESSMENT DATE	