

## Combined ACNC Adviser and Sector Forum – Wednesday 11 October 2023

### Agenda Item 1: Welcome

Sallyann Stonier, Acting ACNC Assistant Commissioner, opened the meeting with an Acknowledgement of Country and extended a warm welcome to all the members of the ACNC Adviser Forum and ACNC Sector Forum.

### Agenda Item 2: Commissioner's update

Sue Woodward, ACNC Commissioner, provided members with an update on the internal and external work of the ACNC. She highlighted the upcoming tabling of the 2022-23 Annual Report and the publication of clear and comprehensive ACNC performance measures. Sue also acknowledged the work done by Sallyann and Natasha while acting as Assistant Commissioners and talked about the recent changes at the SES level.

In addition, Sue discussed the ongoing efforts towards secrecy reforms, including the publication of de-identified registration decisions to help with grey areas of the law. She also mentioned the appointment and first meeting of the refreshed ACNC Advisory Board, the support the ACNC provides to the ATO, the red-tape reduction initiatives, and the ongoing issue of cybersecurity.

### Agenda Item 3: Member discussion

Rachel McCririck, Assistant Secretary, Not-for-profits and Tax Administration Branch, Treasury, and Jennifer Moltisanti, Assistant Commissioner, Not-for-Profit, Government and New Measures, Private Wealth, Australian Taxation Office, addressed the forums and gave brief updates on:

- Exposure drafts and legislation regarding the update of the ACNC Act to allow for disclosure of new and ongoing investigations subject to a public harm test (area 2 of the secrecy provisions) are open for consultation. The consultation period will end on October 16, 2023.
- Assistant Minister Leigh will be facilitating town halls with the charity sector in Sydney, Melbourne and Canberra. Details will be added to the Assistant Minister's website.
- Progress is being made on draft guidelines for a new general DGR category in the Income Tax Assessment Act 1997 for 'community foundations, and further updates will be provided in due course
- Tax and superannuation obligations for charities (in addition to ACNC obligations)
- What attracts the attention of the NFP Centre at the ATO
- All 52 DGR categories will be administered by 01 January 2024.

Following Rachel and Jennifer's updates, members engaged in a roundtable discussion about notable issues related to the sector including:

- ACNC Service Standards, including the new ACNC Registration Form

- Charities applying for registration as Public Benevolent Institutions being registered with Health Promotion Status
- Access to data in the Registration Form both prior to and following submission (will be rectified within the new Form)
- The creation of a peak body for the veteran space
- Related Party Transactions/Disclosures and the exemption for medium sized charities
- Accounting function, including the use of AI, within Australian Philanthropic Services
- Review of NPF Governance Principals at AICD
- Data sharing between the ACNC and ASIC
- The difficulty experienced when transferring/donating funds to charities operating in India.

#### Agenda Item 4: Around the grounds and Q&A

ACNC Directors provided Members with updates on current work:

- *Joanna Austin, ACNC Director Legal & Policy* spoke about the Equality Australia decision, which will be heard in the Federal Court. She also mentioned the recent publication of the refreshed Commissioner's Interpretation Statement: Public Benevolent Institutions and the upcoming reforms to the Secrecy Provisions
- *James Bennett, ACNC Director Compliance* outlined that the Team's current focus is on reviews around cybersecurity, risks and better practice across the sector, casework on safeguarding and financial management in the sector
- *Rob Jackson, ACNC Director IT* listed the current priorities for the IT Directorate, being multi-factor authentication capability for ACNC Portal log ins and international charity program search on the ACNC website based on data from the Annual Information Statement submission process
- *Tim Liu, Acting ACNC Director Corporate Services, Reporting & Red Tape Reduction* spoke about the launch of online and group versions of the 2023 AIS and upcoming paper and bulk versions with the inclusion of an RPT question and recent submissions to Tasmania (addressing implementation of agreed cross-border recognition for fundraisers and National Fundraising Principles) and Victoria
- *Rachel Smith, ACNC Director Advice Services, Education & Public Affairs* discussed data and outcomes on ACNC eLearning program and an online tool for charities (and applicants) registered with DGR status to self-assess their ongoing eligibility
- *Mel Yates, Acting ACNC Director Registration* discussed the launch of the updated ACNC Registration Form in mid-2024 (testing will be available for Adviser and Sector Forums), service standards and timeframes for registrations and the progress of reviews of charities registered with DGR status.

Various suggestions and questions were raised, focusing on additional guidance on housing, the publication of deidentified registration decisions (with the first publication expected in November), cyberattacks, the ACNC's view on the appropriate authority given the discrepancy between thresholds for Victorian associations and ACNC reporting, harmonisation between the states and the minimisation of unnecessary regulatory burden, the opportunity for an annual update for directors regarding reporting responsibilities, compiling information into requests for information, and timeframes in the lead-up to the festive season.

#### Agenda Item 5: Charity Report Discussion

Members were divided into breakout rooms to discuss the Charities Report 10th Edition and the Data Explorer. Following this, feedback was provided to the group which included several suggestions. Firstly, members recommended continuing the Charities Report in its current format with minor improvements. They also suggested having live and ongoing data available, as well as an annual snapshot. Furthermore, members felt there should be a greater analysis of business

charities, an investigation into what the current economic climate means for the NFP sector, and a focus on diversity, equity, and inclusion. Members also discussed the importance of cybersecurity and another research piece about the cost of regulatory burden.

### **Agenda Item 6: Development of a Not-for-profits Sector Development Blueprint**

Kasey Chambers, Toby oConnor, Chris D'Souza, Mark Pearce, Blueprint Expert Reference Group, presented to the Forums about the development of the NFP Sector Development Blueprint. They provided members with information on the government's commitment, recommendations within the Blueprint, activities being undertaken as part of the initiative, the engagement allies involved, and the focus of general questions on philanthropy, volunteering, and governance. Members were asked to keep an eye out for the discussion paper, which will be published soon.

### **Agenda Item 7: Member feedback and breakout rooms**

Members were divided into breakout rooms to discuss and share their opinions on the objectives and expected outcomes for the forums. They provided feedback on various aspects, such as the frequency and duration of the forums, the format, and the desired structure or agenda for future meetings.

Feedback included:

- Two-way communication between the ACNC and Members is important
- Face-to-face meetings assist in networking and relationship development
- In-person meetings should be offered with the option to join online (hybrid) however it was noted that this can hinder certain conversations
- Four meetings per year (including ACNC Regulators Day and possibly one combined Adviser and Sector Forum)
- Combined meetings may result in too many attendees
- When developing agenda, audience/attendees, as well as break times, should be taken into consideration.

### **Agenda Item 8: Closing remarks**

Sallyann thanked members for their participation, and Sue Woodward concluded the meeting by highlighting the significance of communication and extending her appreciation towards the attendees for sharing their feedback.