

FUND FOR ACCESSING POTENTIAL EXPERTISE (FAPEX)

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1 PURPOSE

The purpose of this policy is to outline the intent of the Fund for Accessing Potential Expertise (FAPEX) and provide direction for its application in relation to the management of the bequest made to the University.

2 SCOPE

The policy applies to any members of Council, Management, Staff and the Student body who are involved with the investment and disbursement of FAPEX capital and income, noting that the purpose of the FAPEX fund is to benefit the CQUniversity Rockhampton campus and its community.

3 EFFECTIVE DATE 17 October 2016

4 LEGISLATIVE AUTHORITY

[Central Queensland University Act 1998 Qld](#)

5 PARENT POLICY

There is no parent policy.

6 PROCEDURE

Background

6.1 Mr Paul Andersen, an alumnus of CQUniversity (BA Ed '81), believed deeply in the value of education and considered the development of CQUniversity as integral to the development of the Rockhampton community. He had a vision - the '*Fund for Accessing Potential Expertise*' (FAPEX) to assist the University and his local community to unleash potential and propel community development.

The FAPEX fund was 'seeded' in 2008 to reward and inspire excellence, by establishing a suite of lucrative FAPEX prizes for students in each year of study with the best academic results across the University. Funding for these prizes is held by the University and will expire in 2018.

However, Mr Andersen's vision is more fully realised through his bequest which establishes a perpetual source of income for the University to invest in initiatives that directly, or indirectly, foster expertise and/or generate income. The bequest was the subject of a Memorandum of Wishes signed by the Chancellor, Mr Rennie Fritschy and Mr Andersen on 7 July 2009.

The FAPEX Endowment

6.2 The bequest capital consists of shares and cash which should be managed and invested in accordance with the University's Investments Policy. The University is free to sell the shares at any time and manage the entire bequest as cash.

The FAPEX fund has been bequeathed with the expectation and understanding that the funds are to exist in perpetuity, growing its resource base and capacity to support University initiatives through long term prudent accumulation and investment of income, as outlined below:

- The University would accumulate at least 51% of the income earned from each annual Accounting Period, into the capital
- If by the end of an Accounting Period, the University does not distribute 49% of the income, the remaining income will be accumulated into the capital
- The University must not draw on the capital
- The endowment can be added to by other donors who share the FAPEX vision and method of support.

Application of Income and Capital

- 6.3 The income and capital of the bequest is to be applied solely for the purpose of providing money, property or benefits to CQUniversity for the benefit of the Rockhampton campus, to be applied for purposes which increase the potential expertise of CQUniversity, through those who work and study at CQUniversity, including but not limited to:
- Purchasing special equipment or resources which CQUniversity would not have otherwise been able to afford or obtain
 - Employing or engaging staff with qualifications which CQUniversity would not otherwise have been able to employ or engage
 - The construction of buildings to increase student capacity in a specific field of study
 - Commercialisation of research projects and innovations including the protection of intellectual property
 - Activities which increase the assets and potential income of CQUniversity, Rockhampton.

FAPEX Committee

- 6.4 The FAPEX Committee is responsible for the effective stewardship of the bequest and will undertake the following:
- Review financial activity
 - Determine focus (if appropriate) and approve guidelines for grants
 - Approve grants
 - Review and approve acquittal of grants
 - Approve report to Council.

The [Fund for Accessing Potential Expertise \(FAPEX\) Committee Terms of Reference](#) outlines the membership and responsibility for oversight of the investment and distribution of the bequest.

7 RESPONSIBILITIES

Compliance, Monitoring and Review

- 7.1 The Director, Development and Alumni Relations, acts as custodian of donors' wishes and is responsible for the operational components of the FAPEX bequest.
- 7.2 CQUniversity Council has overall oversight of the FAPEX bequest.

Reporting

- 7.3 The Director, Development and Alumni Relations, will include FAPEX activity in reporting of bequests and donations spending in excess of \$100,000 to the Planning and Resources Committee.
- 7.4 For presentation to the FAPEX Committee, the Deputy-Vice Chancellor (Finance & Planning) (or nominee) will provide an annual report to the Director, Development and Alumni Relations detailing:
- Revenue recognised and cash received from FAPEX shares (e.g. dividends received, proceeds on disposal, net gains / (losses) on disposal)

- Revenue recognised and cash received from FAPEX cash (e.g. interest revenue)
- Other revenue recognised and cash received by the fund (e.g. additional donations)
- Total revenue recognised and cash received
- Total cash held for the fund by the University at year end (in accordance with the Australian Accounting Standards and the FMPM).
- Market value of shares (and other investments) at year end, and movements for the year then ended (in accordance with the Australian Accounting Standards and the FMPM)
- Total amount (at least 51% of revenue for the year) to be reinvested in capital
- Total amount (not greater than 49% of revenue for the year) available for distribution
- Total grants provided throughout the year (i.e. from the 49% (or less) of revenue available for distribution)
- Any residual amounts reinvested into capital.

7.5 The Director, Development and Alumni Relations will include the above in an annual report to Council (through the Planning and Resources Committee) and the Vice-Chancellor's Advisory Committee

Records Management

7.6 A record of decisions associated with the investment, income and disbursement of FAPEX funds including the activities supported and impact achieved will be overseen by the FAPEX Committee.

7.7 All records relevant to this document are to be maintained in a recognised University recordkeeping system.

8 DEFINITIONS

Refer to the University [glossary](#) for the definition of terms used in this policy and procedure.

9 RELATED LEGISLATION AND DOCUMENTS

Related Legislation and Supporting Documents

[Fund for Accessing Potential Expertise \(FAPEX\) Committee Terms of Reference](#)

[Investments Policy](#)

[Investments Procedure](#)

[Bequest Management Policy](#)

Approval and Review	Details
Approval Authority	Council
Advisory Committee to Approval Authority	Planning and Resources Committee
Administrator	Director, Development and Alumni Relations
Next Review Date	25/08/2019

Approval and Amendment History	Details
Original Approval Authority and Date	Council 25/08/2016
Amendment Authority and Date	