

## Fees and Pricing Policy

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### 1. Purpose

This Fee and Pricing Policy (Policy) establishes the principles and approach to the setting and application of fees and charges in relation to membership, health promotion activities, events, merchandise, fundraising, and sponsorships. In line with the Vision, Mission and Values of Arthritis & Osteoporosis NSW, a cost-recovery approach will be taken to support affordable and sustainable services.

### 2. Commencement of the Policy

2.1 This Policy will commence from 1<sup>st</sup> January 2017. It replaces all other fee and pricing policies of Arthritis & Osteoporosis New South Wales (AONSW).

### 3. Application of the Policy

3.1 This Policy applies to all activities of AONSW from the date of commencement.

3.2 This Policy will be applied to the setting of new fees and charges for events and health promotion activities commencing after 1 January 2017.

3.3 This Policy will be applied to the setting of new membership fees from 1 July 2017 and annually thereafter.

3.4 The CEO is responsible for approving pricing of new services.

### 4. Definitions

4.1 **Member:** A person whose name is entered in the register as a member AONSW (includes paid memberships and Honorary Life Memberships).

4.2 **Membership:** Membership categories are determined by the Board and may include an individual, a family, a professional or an organisation.

4.3 **Cost:** The cost of a service includes both fixed and variable overheads, as well as labour and fees involved in direct service provision. This may include, but is not limited to, research, program development, venue hire, speakers, staffing, catering, advertising, printing etc.

4.4 **Cost Recovery:** The setting of fees and sponsorship (if applicable) to ensure that income received covers the full cost of the service or product. This is a necessary principle to ensure sustainability of services.

4.5 **Debt:** A sum of money that is owed to AONSW.

4.6 **Donor:** A person who donates money to support the work of AONSW, including: regular giving, one-off donations, major donations, and bequests.

4.7 **Sponsor:** A person or organisation who receives set benefits through providing money or products to support events of AONSW.

## **5. Determining Fees and Charges**

### ***Principle***

- 5.1 AONSW is a not-for profit, charity, and as such, must generate funding to cover all activities through a combination of fees, charges, sponsorship, donations and grants.

### ***Methodology***

- 5.2 AONSW cost-recovery approach to determining fees and charges for all activities entails:
- a) Identification and quantification of the demand for the service.
  - b) Analysis of all costs involved in developing and delivering the program, event or service.
  - c) Analysis of the value of the service to the target audience, the price and value of alternative services and the price the customer will bear.
  - d) Actively seek external funding through grants, sponsorship, corporate partnerships, fundraising or donations.
  - e) Determine the minimum number of participants required to cover costs of the program.
  - f) One-off development costs (such as research, marketing, salaries, travel, training) should be recovered within an agreed timeframe, generally within the first 6 to 12 months of a new program.
  - g) A Schedule of Fees will be published for each activity of AONSW, articulating the fees/charges, terms and conditions.

### ***Review of Fees and Charges***

- 5.3 Fees and charges should be reviewed regularly.
- a) Membership fees will be reviewed annually as part of the annual budget cycle. Any increase to membership fees will be communicated to Members 3 months in advance.
  - b) Fees and charges will be evaluated at the end of each event and adjusted for future events if required to ensure cost recovery.

### ***Goods and Services Tax***

- 5.4 GST is applied to costs and charges in accordance with A New Tax System (Goods and Services Tax) Act 1999:
- a) Membership fees will attract GST of 10%
  - b) Advertising and sponsorship will attract GST of 10%
  - c) Sales of DVDs will attract GST of 10%
  - d) Seminars and events for professionals will attract GST of 10%
  - e) Health promotion events, research, donations and the majority of other activities do not attract GST.

## **6. Method of Payment**

- 6.1 AONSW offers a range of payment options for the convenience of members and customers. The majority of payments will be made:
- a) Online
  - b) By phone
  - c) By mail

### ***Electronic Funds Transfer***

- 6.2 The preferred method of payment is via electronic funds transfer.
- 6.3 Customers are protected through the eWAY Global Payments system, and AONSW reserves the right to pass on any merchant fees incurred in the transaction. Options include:
- a) Payment by credit card or debit card including Visa or Mastercard. No new arrangements will be accepted for AMEX cards.
  - b) Direct debit
  - c) Direct deposit

### ***Other Payment Options***

- 6.4 Where required, other payment options may include:
- a) Cheque
  - b) Money orders
  - c) Cash payments on the day of events

### ***Membership Fees***

- 6.5 Individuals may purchase a membership by paying the current published membership rate.
- 6.6 Members will receive notification before their membership is due for renewal and a reminder letter if their membership expires.

### ***Timing***

- 6.7 Payment is required in advance of receipt of goods or services.

## **7. Cancellations and Refunds**

AONSW endeavours to keep fees to a minimum and therefore does not generally provide refunds for cancellations:

### ***Membership***

- 7.1 Individuals and organisations may cancel their membership of AONSW at any time, however, no refund will be provided of fees paid.

### ***Events and Services***

- 7.2 If an event or service does not attract sufficient registrations, fees, sponsorship and/or donations to break even, AONSW reserves the right to cancel or postpone the event. In such an event, participants who have registered will be provided with four options:
- a) The registration fee may be retained for participation on the revised date.
  - b) The registration fee may be reallocated to another AONSW event or service.
  - c) A full refund may be provided, with the option to re-register at future events.
  - d) The participant may choose to allocate the registration fee as a tax-deductible donation to AONSW.
- 7.3 Cancellations and refunds do not apply to Webinars, as the information remains available for registrants to access for 30 days, except in accordance with 7.2 where the webinar is cancelled or the scheduled date is changed by AONSW. (Note, participants are informed of the information technology requirements at the time of registration.)
- 7.4 If an individual is unable to attend an event, event registrations may be transferred. The individual who purchased the registration is responsible for advising AONSW of the transfer for registration and event entry purposes.

- 7.5 If an individual cancels their attendance at an event, refunds will only be provided in exceptional circumstances:
- a) Specific high value events where terms and conditions specify that refunds may be provided if a cancellation occurs one month or more before the event. A percentage may be retained to cover administrative overheads and costs incurred eg 50% @ 1 month; 25% at 6 weeks. This may apply to attendance at a camp.
  - b) Upon request, the CEO may grant a refund to families where attendance is prevented due to the death of a registered participant.

### ***Sponsorship***

- 7.6 Refunds will not be provided for Sponsorship Agreements that are cancelled less than 120 days before an event. Refunds may be provided for cancellations more than 120 days prior, less the amount of the non-refundable deposit of 50%.
- 7.7 If an event is cancelled by AONSW, Sponsors will be offered the following options:
- a) To allocate the sponsorship to another event, service or activity of AONSW
  - b) To receive a full refund
  - c) To allocate the registration fee as a tax-deductible donation to AONSW.

## **8. Financial Hardship**

AONSW endeavours to keep fees and charges affordable for people experiencing financial hardship through a combination of strategies:

- 8.1 Discounts may be available for individuals who can demonstrate they receive a government funded pension.
- 8.2 Fees and charges applied to members are supplemented by fund raising, volunteering, donations and specific grant applications where applicable.
- 8.3 Individual members who demonstrate severe financial hardship (beyond that experienced by most pensioners) can apply to the CEO for sponsorship options where commensurate with terms and conditions of the service.

## **9. Debt Recovery**

AONSW has a responsibility to all members to recover money that is owed. Debt recovery processes adhere to organisational values:

### ***Prevention***

- 9.1 Prevention of unpaid debts is the preferred strategy:
- a) Pre-payment of fees and charges is required for all events and services to reduce the occurrence of unpaid debts.
  - b) Advance notice is given for Membership renewals.
  - c) Deposits are required for sponsorship arrangements.

### ***Intervention***

- 9.2 Reports will be produced monthly to identify overdue payments with prompt follow up.
- 9.3 The following actions will be undertaken in the event of unpaid membership fees:
- a) Where a Member has not renewed by the due date, a Lapsed Membership letter will be posted within 30 days.
  - b) Where a membership payment has been declined by the bank, contact will be made to notify the member.
  - c) Membership will be cancelled if not renewed.

9.4 Where a regular donation payment has been declined by the bank, contact will be made to advise the donor. Options may include, but are not limited to the following:

- a) No action if the person provides updated details.
- b) Renegotiation of the amount of regular donation if required.
- c) Cancellation of regular donation.

## 10. Variations

AONSW reserves the right to vary, replace or terminate this policy from time to time.

## 11. Associated Documents

- Constitution of Arthritis NSW
- Branch and Support Group Guidelines
- Warm Water Policy

## 12. Recommended documents

- Privacy Policy
- Membership Policy
- Intellectual Property Policy
- Fundraising Policy
- Donations and Bequests Policy
- Event Management Policy
- Sponsorship Policy
- Cash handling Policy

## 13. Associated Legislation

- A New Tax System (Goods and Services Tax) Act 1999
- Corporations Act 2001
- NSW Charitable Fundraising Act 1991
- Competition and Consumer Act 2010
- Australian Charities and Not-for-profits Commission Act 2012

## 14. Policy version and revision information

Action	By whom	Version	Date
Developed	Helen Wilson Consultancy		
Authorised	CEO	V1.0	15.12.16
Approved	The Board	V1.0	28.02.17
Reformatted (no changes to Policy)	EA	V1.1	29.03.17
<b>Review</b>	<b>CEO</b>		<b>15.12.18</b>