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**Department of Education, Employment
and Workplace Relations**

Higher Education Endowment Fund

**ATN Conference
30 January 2008**



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HEEF background

- \$6 billion investment
- Managed by the Future Fund
- Returns to be allocated as grants for capital expenditure and research facilities
- Eligible institutions are Table A and Table B providers as defined in the *Higher Education Support Act 2003*



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HEEF background

- Available funding is dependent on returns, the capital investment cannot be spent
- Expect that \$300 million per annum in program funding will be available for 2008-09 to 2010-11
- Advisory Board makes recommendations on grants
- Advisory Board also makes recommendations on developing culture of philanthropy



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Objectives for HEEF

- Advance the development of a world-class Australian higher education sector, by providing ongoing support for strategically focused investments in capital expenditure and research facilities; and
- Encourage a culture of philanthropic investments in Australian higher education institutions.



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HEEF – Advisory Board

- Advisory Board appointed from nominations provided by four peak bodies in the higher education sector.
- Advisory Board membership:
 - Mr Philip Marcus Clark AM
 - Dr Peter Farrell AM
 - Dr Cherrell Hirst AO
 - Mr John Poynton AM
 - Dr Michael Vertigan AC
 - Ms Lisa Paul PSM (DEEWR Secretary)
 - Dr Jim Peacock AC (Chief Scientist)



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HEEF – Consultation

- Advisory Board conducted a consultation program with the sector in 2007
- The Chair also held individual meetings with over 25 Vice Chancellors
- 45 written submissions were received in response to the consultation paper issued in October
- Consensus emerged on number of issues, including:
 - Application and selection processes
 - Investment principles
 - Expert review
- At 20 December meeting the Board discussed feedback from the sector
- Investment principles and program guidelines are now being drafted



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HEEF – Program issues

Investment Principles

- There should be a strong alignment between the project and the strategic goals and missions of the institution(s) involved in the project.
- The project should have considerable positive impacts on the institution(s) and through it the Australian higher education sector.
- Collaborative arrangements will be encouraged.
- Leveraged co-investment from other funding sources will be encouraged.



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HEEF – 2008 Timeline

- **February** - Draft guidelines developed and agreed by Board and Ministers prior to public consultation.
- **March** – Consultations with sector, state and territory governments & other organisations.
- **April** – Board to recommend final guidelines to Ministers. Call for Expressions of Interest.
- **July** – EOI proposals considered by Board, short-listed applicants invited to submit final applications.
- **October** – Final applications subject to expert review.
- **November** – Board to make funding recommendations to Ministers.



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HEEF - Philanthropy

- The consultation paper also touched on the philanthropy element of HEEF.
- Consensus that:
 - a) HEEF should not be a fundraiser in its own right
 - b) Institutions are not interested in having their endowments managed by the Future Fund



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HEEF - Philanthropy

Four potential areas of activity:

- Leadership and governance arrangements within universities.
- Identifying champions.
- Providing an incentive for universities to seek and accept donations by encouraging leveraging.
- Celebrating and sharing successes in attracting philanthropic donations across the sector.



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