

anzea Financial Policy and Strategy 2012-2014

Date approved

30 April 2012

Date for review

30 June 2014

Contents

A. Purpose

B. Policy

1. Portfolio responsibilities
2. Key principles relating to resourcing and financial management
3. Financial management and budgeting
4. Sourcing **anzea** income
5. Branch funding and financial management
6. Voluntary support for **anzea**
7. Contracting

C. Table of interim policy amendments

D. Appendices

1. Appendix 1: **anzea** Budget Items 2012-2014
2. Appendix 2: **anzea** Contracting Policy
3. Appendix 3: **anzea** Branch Accounting Guidelines
4. Appendix 4: Koha guidelines
5. Appendix 5: Reimbursement guidelines

A. Purpose

The purpose of policy is to articulate core principles of financial management and funding for **anzea**, to ensure that the financial foundation and infrastructure of **anzea** is sustainable.

B. Policy

1. Portfolio responsibilities

The responsibilities of the **anzea** Treasurer are as follows:

- Lead responsibility for developing and implementing strategy and policy for the good financial management of the Association
- Develop an annual and three-yearly budget for the business of the Association
- Liaise with other portfolios as appropriate for the purposes of fund-raising
- Have custody of the funds of the Association and authorise payments from them as the need arises
- Ensure sufficient signatories to the **anzea** bank accounts
- Maintain an up-to-date register of signatories to the **anzea** accounts

- Have financial oversight of Committees and the Board
- Hold the cheque books and on-line access to accounts, or delegate those roles as agreed by the **anzea** Board
- Present the accounts annually for auditing and present the audited accounts to the AGM
- Write an annual financial report for the AGM
- Acquaint the Board urgently if required with any financial problems of the Association as a whole or of its Committees or Boards.

2. Key principles relating to resourcing and financial management

Key principles of the financing and funding of **anzea** are as follows:

- It is a core value of **anzea** that the Association will be accessible to all. Affordability will be a key factor in determining membership fees and the costs of other **anzea** services and events.
- **anzea** is registered as a charitable society with tax-free status and must adhere to the requirements of relevant legislation, in particular that (a) all activities of the Association must be charitable, not-for-profit activities and (b) all funds and income must be derived for and spent on activities consistent with the objectives of the Association.

3. Financial management and budgeting

- Financial management of the Association is the responsibility of the **anzea** Board through the Treasurer.
- All expenditure must be approved by the **anzea** Board.
- The Executive may approve expenditure up to \$250 without prior Board approval, but that approval must be obtained retrospectively either before or at the next Board meeting.
- Day-to-day accounting is undertaken by the **anzea** Manager, who also undertakes tax and GST functions, in liaison with **anzea**'s auditor (as approved annually at the AGM).
- The Manager is supervised by the Treasurer in relation to financial management.
- Budgeting must take into account:
 1. **Base funding** – including:
 - a) Core funding – the minimum level of subsistence funding required to sustain **anzea**'s core operations, covering **anzea** management and administration costs (see **Appendix 1, anzea** budget 2010-2011), operational costs, Branch funding support and Conference start-up funding (recoverable)
 - b) Discretionary funding – additional targeted funds for the Board to allocate to portfolio activities that have a high priority but can only proceed if sufficient funds are available
 2. **Additional funding** – for special projects and additional portfolio activities, for which specific additional funds must be sought and secured *before* these projects are able to proceed.

-

4. Sourcing anzea income

- The Treasurer is responsible for developing and implementing a Revenue Assurance Plan annually, with the approval of the **anzea** Board (see **Revenue and Resourcing Policy and Strategy 2010-2015**). The plan will identify funding needs linked to **anzea** strategic priorities and special projects, three-year financial targets and a plan and timetable for achieving these targets.
- **anzea** funding will be sought actively through a range of sources, as set out in the Revenue and Resourcing Policy and Strategy (including but not limited to membership drive, events income, project-specific funding, sponsorship, and volunteer input).
- All sources of income shall be examined by the Board to ensure that they derive from ethical sources consistent with **anzea**'s objectives.

5. Branch funding and financial management

- **anzea** Branches are expected to become financially self-supporting within two years of establishment, through income from Branch events, nonetheless taking into account that this may be difficult for small Branches. Two-thirds of the subscriptions of members in any given Branch may be paid to that Branch on application for the first two years of the Branch's existence. To enhance **anzea** income, Branches are expected to (1) undertake an annual membership drive and (2) derive Branch income from local events and activities at a reasonable charge to members and others. Each Branch will make an annual financial report at 31 March. Branch finances will be reviewed quarterly by the Treasurer and any funds in Branch accounts in excess of \$3,000 will be transferred to the national account and the relevant Branch/es notified.
- Each **anzea** Branch will have a bank account linked to the main **anzea** account.
- Branch Committees will account to **anzea** national as set out in the Branch accounting guidelines (**Appendix 4**).

6. Voluntary support for anzea

In line with providing affordable membership and services, **anzea** will access unpaid support wherever possible. Volunteering will be promoted within **anzea** and facilitated by the **anzea** Board and infrastructure. Principles are as follows:

- **anzea** office holders (Board members; Branch and Conference Committees) will not be paid for their Board and Branch Committee work; however they may receive a koha as approved from time to time by the Board (e.g. free attendance at paying **anzea** events) or be contracted to undertake within their expertise where deemed appropriate by the Board.
- People contributing work to **anzea** should not be out of pocket and should have reasonable costs reimbursed (e.g. travel costs, stationery) in accordance with reimbursement guidelines (**Appendix 5**).
- Volunteering by **anzea** members will be encouraged and actively targeted for

- **anzea** projects.
- Koha may be used in lieu of payment for services where the koha is affordable within a project budget and/or constitutes value for **anzea**. The general principle is that the value of the koha from **anzea** should roughly match the value of the donation to **anzea**, or represent a significant gesture. Non-keynote presentations at **anzea** conferences and symposia – because presenters can make up more than 25% of the total delegates, this is not financially viable. (See guidelines in **Appendix 4.**)
- All koha must be advised to the Treasurer and **anzea** Manager and accounted for in the **anzea** accounts.

7. Contracting

- **anzea** may enter into contracts to undertake services for or in conjunction with other agencies from time to time.
- Contracts undertaken by **anzea** must comply with the purposes and objectives of the Association, as set out in the **anzea** Constitution.
- Any contract for more than \$3,000 must be referred for a legal opinion. Where possible this opinion will be undertaken gratis or in return for koha.
- *The Treasurer, or their delegate from the Board, will be one of the two co-signatories to all contracts.*

C. Table of interim policy amendments

Date approved	Section	Amended policy statement
12 March 2012	And Appendix 4	Requirement for koha to be accounted

Appendix 1: anzea budget 2012-2014

Appendix 2: anzea Contracting Policy

anzea may enter into contracts to undertake services for or in conjunction with other agencies from time to time. Contracts undertaken by **anzea** must comply with the purposes and objectives of the Association, as set out in the **anzea** Constitution.

Where **anzea** enters into a contract for services, the following guidelines must be followed:

- A written contract must be entered into, providing details in each case as to each of the following:
 - The Board member/s responsible for oversight of the contract and services
 - Details of the contractual outputs and deliverables
 - Time frame
 - A force majeure clause
 - A mediation and/or dispute resolution clause
 - An intellectual property clause which retains unique or shared intellectual property for **anzea** of any materials or concepts developed
 - A contract variation clause
 - A termination clause which clearly sets out conditions under which *either* party may terminate
 - A publications clause which provides that **anzea** shall have an opportunity to disseminate information emanating from the contract work that is deemed useful to its membership and/or the international evaluation community
- A sufficient amount must be budgeted into the contract for administration and management of the contract (e.g. costs of invoicing, banking, etc.). the Board member responsible for oversight of a contract will not be paid for that work, unless the work is extensive and as approved by the **anzea** Board. Where significant work is involved, the responsible Board member will undertake a governance role only and a project manager will be employed to manage the contract.
- *A legal opinion must be obtained on the terms and conditions of any contract for more than \$3,000.*
- Professional indemnity insurance will not normally be required. Where the funder requires professional indemnity insurance, the costs of that insurance must be provided for within the contract budget.

Appendix 3: anzea Branch Accounting Guidelines

Pricing events

Because **anzea** is GST registered, all events costs must be advertised as GST inclusive. General principles for event pricing are:

- Cost recovery on all events over the course of a financial year (July 1 to June 30)
- No two hour event should cost more than \$30 for **anzea** members
- Non-members should be charged around 50% more than members and students/unwaged around 50% less than members.

Receipts

All monies received by the Branch must be receipted. Each Branch purchases a receipt book which has the words 'Tax receipt' on the receipts and use this for *all* receipts (that is, rather than sending email receipts), posting where necessary. The Treasurer will need to write the **anzea** GST number – 96-635-214 – on all receipts.

Note: At all Branch events, a list must be kept for auditing purposes that names each person attending, shows the amount they paid and is signed by the person receiving the money as having been paid. A template is attached.

Invoicing

Some organisations need invoices in order to pay for staff to attend Branch events. To send out an invoice, contact the **anzea** Manager.

Appendix 4: Koha guidelines

Volunteering by **anzea** members will be encouraged and actively targeted for **anzea** projects. Koha may be used in lieu of payment for services where the koha is affordable within a project budget and/or constitutes value for **anzea**. The general principle is that the value of the koha from **anzea** should roughly match the value of the donation to **anzea**, or represent a significant gesture.

Examples where koha have been approved to date (June 2010) are:

- Book vouchers (or similar) in return for: significant project work undertaken for **anzea**; keynote conference presentations and Branch presentations, where the presenter is not paid; value \$50 approx
- Free **anzea** memberships, in return for: provision of venues for significant or repeated **anzea** events
- Free attendance at paying **anzea** events, in return for: provision of free venues; conference and symposium sponsorship.

To date, the following do not attract a koha:

- Free attendance at **anzea** Conferences for non-keynote presenters (because presenters can make up more than 25% of the total delegates, this is not financially viable), Conference Standing Committee or other Conference Committee members, or others.
- .

All koha must be advised to the Treasurer and **anzea** Manager and accounted for in the **anzea** accounts.

Appendix 5: Reimbursement guidelines

All **anzea** expenditure needs to be approved by the Board – either through the approval of annual budget allocations, or as an additional expenditure item.

Where the funds are spent out of annual budget allocations:

- Funding categories for **anzea** portfolio work should be allocated in the Budget and a category code should be used when drawing and recording fund expenditure
- Every portfolio holder must know what their allocated budget is and keep track of expenditure within their allocated budgets
- Reimbursement of portfolio expenses must be pre-approved by the appropriate portfolio holder before they are incurred, must be within the approved budget and used for the purpose for which the Board approved the budget allocation
- Reimbursement of non-portfolio expenses must be pre-approved by the Treasurer, must be within the approved budget and used for the purpose for which the Board approved the budget allocation.
-

Where the funds requested fall outside of the annual budget allocations approved by the Board:

- Reimbursement of expenses over \$250 must be pre-approved by the Board before they are incurred
- Reimbursement of expenses of \$250 or less must be pre-approved by the Executive (Convenor, Treasurer and Secretary) before they are incurred, must be attributable to an available discretionary budget, and must be reported to the Board within one week of authorising the expenditure
- The Board must be satisfied that sufficient funds are available to cover the cost.

*If pre-approval for expenditure has not been obtained, it cannot be guaranteed that **anzea** will reimburse the funds spent.* The Board may retrospectively consider reimbursing any such expenditures, within the guidelines above. A decision may be made not to reimburse expenditures that were not pre-approved if:

- The expenditure does not fall within any Board-approved budget category
- There are insufficient funds available to cover the cost *and/or*
- Board approval would not have been given for the expenditure if prior approval had been sought.