

## Financial Management Policy

### 1. Responsibility for Financial Management

This policy applies to all involved with *YWAM MS*; Board members, staff, volunteers, existing partners, potential partners, collaborators and patients. Each individual will receive an orientation/induction to *YWAM MS* policies and procedures relevant to their position, roles and responsibilities and will receive training at appropriate intervals.

*YWAM MS* has designated a person (the Treasurer) with direct access to the Managing Director, who has defined responsibility and authority to:

- Ensure that the organisation complies with its financial management policies;
- Monitor and report on compliance with its financial management policies and procedures, for review and as a basis for improvement; and
- When requested, provide the State registering body with a certificate of accounts.

The Treasurer has overall responsibility and authority for day to day compliance with our financial policies. The Treasurer reports directly to the Managing Director on overall performance. The Treasurer has responsibility for day to day monitoring and reporting on our financial policies.

The Treasurer has the responsibility and authority to provide the Accreditation & Registration Council, and other government agencies, with requested financial information in accordance with our scope of registration.

An internal audit of our financial management policies and procedures is conducted annually.

### 2. Accounting Practice

All fees must be paid according to the Financial Agreement in the application form. The balance of fees is due on or before commencing involvement with *YWAM MS*. Volunteers/Staff will not be able to begin involvement unless they are able to make these payments. However, if the Project Management Team is contacted and the financial situation is explained, another payment schedule may be arranged.

#### 2.1 Certification of Accounts

The organisation's accounts will be certified at least annually, by a qualified accountant with membership of Certified Practising Accountants of Australia, or the Institute of Chartered Accountants of Australia, or the National Institute of Accounts, or accountants registered as auditors with the Australian Securities and Investment Commission and on request the report will be made available to the State or Territory Registering Body that has registered the organisation.

Our financial accounts are audited once a year by an accountant nominated and approved at the Annual General Meeting. They are qualified as Certified Practising Accountants. If requested, ARC may view our annual accounts at our premises in conjunction with our Treasurer.

#### 2.2 Provision of Audited Accounts to Registering Body

*YWAM MS*, when requested, will make available to the registering body a full audit report certified by a qualified accountant with membership of Certified Practising Accountants of Australia, or the Institute of Chartered Accountants of Australia, or the National Institute of Accountants and accountants registered as auditors with the Australian Securities and Investment Commission.

### 2.3 System to Protect Funds

YWAM MS undertakes to safeguard funds paid in by volunteers. If YWAM MS is unable to deliver agreed services then an alternative location will be offered or a refund will be made to the volunteer in accordance with relevant Commonwealth and/or State and territory legislation.

### 2.4 Refunds

2.4.1 Fees for the courses vary and are detailed in the course information or relevant Financial Agreement. The fees and refund policy is outlined in the application form of the intended course.

2.4.2 Applicants are asked to sign confirmation in the application (in sections Financial Agreement and Signature of Agreement), that they have read and understood the fee and refund policy.

2.4.3 Payment of the refund will be:

- Paid directly to volunteer (or directly to the person who made the payment) unless a written request is made by the volunteer to make payment to someone else.
- All fees will be refunded in the currency that payment was made.
- Paid to the volunteer within 4 weeks of receiving a claim.
- This agreement does not remove the right to take further action under Australia's consumer protection laws.
- To apply for a refund, contact the outreach leader.
- See also Complaints and appeals for further information.

### 2.5 Use of Funds

From time to time, YWAM MS may make contributions to charitable causes, as consistent with the purposes of YWAM MS. All contributions must be duly authorised prior to release.

## 3. Fundraising

### 3.1 Raising Of Public Funds

YWAM MS is a charity that relies heavily on public subscription. Fundraising for the projects run by any office of YWAM MS is the responsibility of that office, therefore;

3.1.1 These funds can be collected on behalf of local projects, national projects, or international project that are covered by YWAM MS.

3.1.2 All funds raised by any YWAM MS must be receipted into the appropriate YWAM MS bank account. Such accounts must be included in the YWAM MS national audit each year.

3.1.3 It is the responsibility of each centre to see that it complies with the fundraising laws as laid out by local councils and state governments.

3.1.4 The means of raising funds must be legal, ethical, and done in such a way that it casts no aspersions upon YWAM MS or any other charity, or organisation that is also appealing to the public for assistance.

3.1.5 In the instance where fundraising is made on behalf of a specific project, those funds must be used for that specific project, and used for no other purpose. Funds raised with no specific project nominated may be disbursed at the discretion of the YWAM MS Managing Director.

3.1.6 The costs incurred in doing the fundraising may be redeemed from the funds raised.

3.1.7 Tax deductibility for donations made can only be offered to donors for funds that fall into the categories under which that exemption legitimately exists.

### 3.2 Raising Of Corporate Funds Or Grants From Government Or Other Non-Government Bodies

3.2.1 YWAM MS authorises all local offices to seek funding in the form of bequests, grants, and funding allocations from corporate enterprises, and other non-government organisations in the name of YWAM MS. The seeking of these funds is left to the discretion of the local director.

3.2.2 Where the seeking of funding is for an amount over \$10,000 the local office will seek to inform the national office and seek ratification from the Managing Director or Board.

3.2.3 The local office will seek to inform and seek ratification from the Managing Director before seeking to open discussions with any government department (either State or Federal), or agency

with regards to the seeking of funding.

3.2.4 All such funds must be receipted into the appropriate *YWAM MS* bank account. Such accounts must be included in the *YWAM MS* national audit each year.

3.2.5 Tax deductibility for donations made can only be offered to donors for funds that fall into the categories under which that exemption legitimately exists.

3.2.6 In the instance where grants or funding are sought on behalf a specific project, those funds must be used for that specific project, and used for no other purpose. Funds raised with no specific project nominated may be disbursed at the discretion of the *YWAM MS* Managing Director.

3.2.7 Where an office seeks a grant, or funding from another source, all administration costs must be written into the budget of the grant application; only these budgeted costs can be claimed to cover administration expenses.

3.2.8 The costs incurred in seeking the funding should be included as part of the administration costs and included in the budget of the grant application.

3.2.9 Seeking of funding from any government body must be done through the national office. A copy of any intended application for funding (together with proposed budgets and all attachments) to any government body (both state and federal) must be lodged with the *YWAM MS* Managing Director for approval prior to its lodgement with the government body concerned.

### 3.3 Fundraising Contracts and Agreements

With regard to making contracts and agreements with professional fundraisers to raise funds on behalf of *YWAM MS*, such agreements and contracts are to be in writing and *YWAM MS* will remain accountable for all its fund-raising activities at all times.

### 3.4 Investment Of Funds

From time to time long term excess funds may accrue in a bank account held by *YWAM MS*. In such cases it is good stewardship to invest or deposit these moneys in a place whereby they will earn a higher rate of interest. Therefore *YWAM MS* authorises its offices to use these funds in the following ways;

3.4.1 Funds maybe deposited in a high interest bearing account with a bank, or recognised financial institution, in either a short term, or long term basis.

3.4.2 Funds may be invested in secured government bonds.

3.4.3 Funds may not be used in unsecured speculative investments such as the short-term money markets, and stock markets.

3.4.4 If the office concerned wishes to use the funds to acquire a long-term asset as an investment, such as real estate, then the office concerned will seek approval from the *YWAM MS* Board of Directors in conjunction with the appointed auditor of *YWAM MS*.

3.4.5 If the office concerned wishes to invest funds in partnership with another party outside of *YWAM MS*, they will seek approval from the *YWAM MS* Board of Directors in conjunction with the appointed auditor of *YWAM MS*.

### 3.5 Excess Funds

When a development project is completed and excess funds have been accrued in *YWAM MS* accounts for that project then the excess funds will be used for another development project of similar nature or in the same country as the original funds were raised.

In the case of excess tax deductible funds being accrued then these shall be transferred to a similar tax deductible project or to another tax deductible project in the same country as the original funds were raised.

### 3.6 Gifts In Kind

Where donation of gifts in kind are received the following applies;

3.6.1 All gifts in kind are directed to the purpose/project for which they are given.

3.6.2 Confirmation of acknowledgement for the donation of such a gift is to be sent to the donor and a record to be kept on file.

3.6.3 Where the donor requires a receipt for the value of the gift in kind, the receiving office is to contact the auditor of YWAM MS and ask his advice as to how this should be done in such a way that it will fit within the guidelines of the national audit.

#### 4. Prevention of Financial Wrongdoing

YWAM MS has a zero tolerance position on corruption, fraud, terrorism financing, money laundering, bribery and other financial impropriety. These activities are contrary to the fundamental values of integrity, transparency and accountability and undermine the effectiveness of YWAM MS and development efforts. YWAM MS has risk management processes in place to prevent and detect financial wrongdoing.

##### 4.1 Defining Financial Wrongdoing

###### 4.1.1 Corruption:

The abuse of entrusted power for private gain

###### 4.1.2 Fraud:

Dishonestly obtaining a benefit, or causing a loss, by deception or other means

###### 4.1.3 Terrorism Financing:

Intentionally providing or collecting funds to facilitate or engage in a terrorist act.

###### 4.1.4 Money Laundering:

The processing of concealing the origin, ownership or destination of illegally or dishonestly obtained money and hiding it within legitimate economic activities to make them appear legal.

###### 4.1.5 Bribery:

The offering, promising, giving, accepting or soliciting of an advantage as an inducement for an action which is illegal, unethical or a breach of trust. Inducements can take the form of gifts, loans, fees, rewards or other advantages

##### 4.2 Ethical Financial Resource Management

4.2.1 YWAM MS will ensure that no offer, payment, consideration or benefit of any kind, which constitutes illegal or corrupt practice, shall be made. Any such practice will be grounds for immediate cancellation of a Project Agreement. This includes, in particular, checking that material support is not provided to a proscribed or listed terrorist (with reference to DFAT and Attorney General's list and the Anti-Money Laundering and Counter-Terrorism Financing Act 2006).

4.2.2 YWAM MS does not support the spread or effects of terrorism around the world. To this end, YWAM MS commits to be aware of terrorism-related issues and known terrorism organisations and use their best endeavours to ensure that funds do not provide direct or indirect support or resources to organisations and individuals associated with terrorism and/or organised crime.

##### 4.3 Reporting of Financial Wrongdoing

4.3.1 YWAM MS requires all individuals who are involved with YWAM MS activities to be responsible for reporting any potential occurrence of financial wrongdoing which they become aware of.

4.3.2 Further details on the process of reporting can be found in the *YWAM MS Complaints Policy, Reporting of Wrongdoing Policy and Privacy Policy*.

#### 5. Donor's Rights

YWAM MS values the support of its donors and considers it of great importance that the rights of donors are respected.

##### 5.1 Privacy

It is not the policy of YWAM MS to share mailing lists. Donors may have their names deleted from the mailing list whenever they request. **The privacy of donor information is respected at all times (see Policy on Privacy).**

### **5.2 Collections**

If collectors are used by *YWAM MS*, potential donors will be advised as to whether the collectors are volunteers, paid staff or agents. Collectors will be clearly identified confirming they are bona fides of *YWAM MS*.

### **5.3 Communications**

*YWAM MS* newsletters and other fundraising leaflets will outline the causes for which funds are being raised so donors are informed. Donors are informed about the application of their donation through receipt, designations, newsletters and personal contact.

### **5.4 Use of Funds**

Donations are used to pursue the objectives of the company as per the Constitution, unless otherwise specifically requested in writing by the donor. In the event of oversubscription to an appeal *YWAM MS* will reallocate the surplus to another in-need ministry or project.

### **5.5 Accountability**

A copy of the *YWAM MS* Annual Report including the financial statements will be made available on the web and to any donor who requests a copy.

## **6. Loyalty Program Points**

The use of accumulated airline points from any airline loyalty program linked to *YWAM MS* is to be at the discretion of the staff member concerned. Points may be used for the organisation or for personal use as the staff member concerned determines.