

Financial Management Policy

Climates Financial Management Policy 2020



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Date of commencement: 1 July 2018

For new Climates staff, volunteers and members

Climates is a not-for-profit organisation. We need to have practices in place to ensure all funding goes to achieving our vision to *empower people in the Australia-Pacific region to address our climate challenges together.*

Climates members are expected to:

- Ensure all spending is value-for-money and contributes to Climates vision
- Read and follow the Climates financial procedures
- Report suspected misuse of Climates money

Purchases

When you need to make a purchase for Climates, where practical, you will need to get written approval from a Director the easiest way to do this is by emailing directors@climates.org.au.

- If the purchase is over \$1000 written approval from two directors will be required.
- If the purchase is under \$200 and written approval is not possible verbal approval from a Director before requesting a client invoices Climates is acceptable.

Please request suppliers email invoices to accounts@climates.org.au with 30-day payment terms.

Reimbursements

Where it is not practical for the expense to be invoiced or put on the Climates card by one of the Directors, Climates can reimburse volunteers for money they spend.

Any reimbursements must be for reasonable expenses incurred for Climates.

For purchases over \$200 you must get prior approval from a Director in writing. For purchases of \$200 or under, verbal approval from one of the directors is sufficient.

For purchases over \$1000, approval from two Directors is required and should be accompanied by evidence that the purchase was at a reasonable market rate, for example a screenshot showing a flight was cost-effective compared to others at a similar time.

To get a reimbursement you must fill in the reimbursement form.

You will be required to attach a scan of the receipt.

Reimbursing Directors

Directors have a greater responsibility to ensure Climates money is managed appropriately.

Receipts should be provided for all reimbursements to Directors and Directors should not approve their own reimbursements

The approval of two directors is required for reimbursements over \$200

Fundraising

Where practical Climates will avoid the use of cash and will use online payment platforms, for example Eventbrite for tickets or DonorBox for donations. It's important the Director's understand which platforms Climates is using and when.

If you are using a payment platform for a purpose where you expect to collect over \$200, please email directors@climates.org.au so we are aware the money will be coming into the relevant platform.

If there is a need to establish a new payment platform, please email directors@climates.org.au with the details. One of the Directors will create an account and get back to you.

Establishing a new fundraising platform account

Approval in writing from a Director is required to establish an account with a new payment platform.

Wherever possible, a separate login and password should be established to control the financial elements of the payment platform. These should be stored in a spreadsheet in the secure Finance folder

A separate password for creating campaigns should be created and the password recorded in the general folder. Access should be given to all Climates volunteers on an as needs basis.

Cash

Climates aims to avoid using cash where possible. However if you are planning an event where cash will be required, please email directors@climates.org.au and request the cash box.

If you request the cash box, you are responsible for it unless you notify the Directors that you have given it to someone else.

Cash received and spent should be recorded at the time in the notebook included in the cashbox. This will be reconciled after the event.

Any amount of cash over \$200 is to be banked within 3 business days of the event.

Making Grants or Donations

Before transferring funds Climates must have a written agreement with the partner organisation, which sets out:

- The funds will be used for agreed purpose
- The funds will not be diverted to terrorism or sanctions entities
- The partner organisation has a policy in place to ensure funds are not misused

Climates may in conjunction with our partners work with grassroots organisations, newly established organisations, or other partners that for various reasons do not have charity

approval in their country. Where this is the case, the written agreement with the partner organisation should also set out the expectation that the funds will not be used to profit individuals in organisation, consistent with Climates not for profit nature.

The donation agreement should also set out requirements for Climates to be notified if funds or assets are provided to any third parties.

International funds transfer

On the occasions we do send funds directly to partners it is the responsibility of the Directors to ensure this is done legally, compliant with all Australian laws and laws in the relevant country and with procedures in place to ensure funds are not misused.

Before transferring funds Climates will undertake due diligence to ensure that the partner organisation or any persons or associated entities are not associated with terrorism or the subject of sanctions.

Sanctions

A consolidated list of all entities and persons subject to UN sanctions or under Australian Sanctions law is available on the DFAT website:

<http://dfat.gov.au/international-relations/security/sanctions/Pages/consolidated-list.aspx#list>

As of June 2020, there are no sanctions entities in any of the countries Climates currently works. However there are current sanctions entities in Pacific countries we could work with in future, i.e. Indonesia and the Philippines and new entities are added periodically.

Before providing material support to a new partner Climates will ensure that the entity or individuals associated with it, is not listed on the Consolidated sanctions list above.

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