



Partner Housing Australasia (Building) Incorporated
ABN 88 722 057 429 CFN: 15429
Web: www.partnerhousing.org
Pro-bono professional services and funding for South Pacific
village infrastructure, housing, water, sanitation and training.



272 Blackwall Road, Woy Woy NSW 2256, Australia
Phone: +61 432 611 550
Email: partner.housingaus@gmail.com

Partner Housing is a signatory to the ACFID Code of Conduct, which is a voluntary, self-regulatory sector code of good practice. As a signatory we are committed and fully adhere to the ACFID Code of Conduct, conducting our work with transparency, accountability and integrity.

Financial Capacity, Control, Approvals, Authorisations and Auditing Policies and Procedures



Declaration – These policies and procedures have been approved by the Partner Housing Australasia (Building) Incorporated Annual General Meeting of 4 December 2023. They set out the means of complying with the “Constitution & Code of Conduct”, and the requirements of the Australian Department of Foreign Affairs and Trade (DFAT) and the Australian Council for International Development (ACFID).

Signed

Rod Johnston, President, Partner Housing Australasia (Building) Incorporated

Adoption of Document Revisions

Reference	Revision	Date of Adoption	Principal Amendments
P23040353	1	3 April 2023	Revision to align with Vision, Mission, Values & DFAT requirements
P24010153	1	1 January 2024	General review and update

Contents

Vision	3
Commitment.....	3
Code of Conduct.....	3
Scope.....	3
Definitions	3
Policy	4
Responsible Personnel.....	6
Procedures.....	7
Review of these Policies and Procedures.....	7
Risk Analysis.....	7
Board Reporting Requirements	7
Authority to Approve Expenditure	8
Authority to Operate Bank Accounts and Make Payments, Donations and Transfers	9
Conditions on the Banking Authorities	9
Preparing Monetary Transfers	9
Anti-fraud and Anti-money-laundering requirements	9
Unsolicited Donations	10
Compliance Monitoring	10
Banking	10
Bank Account Guidelines	11
Accounting.....	14
Mortgages	14
Quarterly Accounts.....	14
Annual Accounts	14
Financial Audit of the Annual Accounts and Annual Financial Statement	14
Budgeted Transaction	14
Records of Financial Transactions.....	14
Acquittals.....	15
Financial human resource capacity	15
Forward planning for adequate financial capacity	15
Compliance and Auditing	16
Training	16
Expenditure Approval Template.....	17
Schedule of Banking Authorities	19

Vision

Partner Housing Australasia is an entirely voluntary organisation, which aims to transform the lives of people living in Asia-Pacific villages by improving the cyclone, earthquake, and tsunami resistance of their houses, clinics, schools, and community buildings; and by providing clean water supplies and hygienic sanitation.

Commitment

Consistent with the vision, Partner Housing Australasia and its Partner Organisations are committed to sound financial controls, including clear policies on assessment of financial capacity, practical controls on procurement and expenditure, approvals to pay invoices, authorisations to transfer funds from the bank accounts and auditing obligations.

Code of Conduct

Partner Housing Australasia is a signatory to the ACFID Code of Conduct, which is a voluntary, self-regulatory sector code of good practice. As a signatory, we are committed and fully adhere to the ACFID Code of Conduct, conducting our work with transparency, accountability, and integrity. The following policies and procedures have been developed to reflect the vision, and to simultaneously ensure consistency with the ACFID Code of Conduct.

Scope

These Policies and Procedures apply to Partner Housing Australasia, its Partner Organisations, Representatives, and any guests who might accompany these people to the locations where the programs are implemented. The "Policy" expands the organisation's vision, mission, and values; together with satisfying the DFAT and ACFID requirements, and the "Procedures" set out the means of implementing policy. An associated "Training" document provides additional material and background, and "Compliance and Audit Record" documents provide the relevant records of compliance and verification.

Definitions

A comprehensive set of definitions is set out in "Constitution & Code of Conduct". Definitions specific to this policy are set out below.

Representatives is the term used to describe collectively the Board Directors, Managers, Volunteers, Staff (if so engaged), Contractors and Consultants who administer the programs and projects.

Volunteer means a person who carries out executive, management, administrative, operations, design, project management and/or similar functions (whether executed in Australia or overseas) on a probono basis, under the direction of the Chief Executive Officer (on behalf of the Board). A Volunteer may also be a Member or a Director. Partner Housing Australasia is an entirely voluntary organisation. Volunteer does not include "Contractors" or "Consultants", who provide goods or services on a probono or commercial basis, or people who provide minor assistance on a casual and infrequent basis.

Risk Analysis is a systematic use of available information to determine how often specified events may occur and the magnitude of their likely consequence. For purposes of this policy, Risk Analysis, and associated terms (including those listed herein) are as defined in ISO 31000 and AS/NZS 4360.

Corruption is a type of fraud. Corruption is a misuse of entrusted power for private gain. The Commonwealth defines corruption as conduct that involves, or that is engaged in for the purpose of, the staff member abusing his or her office as a staff member of the agency, conduct that pervert, or that is engaged in for the purpose of perverting, the course of justice, and conduct that, having regard to the duties and powers of the staff member as a staff member of the agency, involves, or is engaged in for the purpose of, corruption of any other kind.

Money Laundering is defined as the process of concealing the origin of money, obtained from illicit activities such as drug trafficking, corruption, embezzlement or gambling, by converting it into a legitimate source.

Approval is applied in this context to the approval to pay invoices. This is a process performed by email in accordance with the policies.

Authorisation is applied in this context to the authorisation through the on-line banking system to electronically make payments and transfer funds.

Policy

E1.3 Financial approvals and authorisations

Partner Housing Australasia shall ensure that it has clear, documented delegations and authorisation levels for personnel, including payment approvals, banking transaction authorisations, and cheque signatories.

Partner Housing Australasia shall define clear delegations of authority which establish who is able to make decisions and to take action on behalf of the organisation, and an accurate and up to date list of authorised cheque signatories and electronic payment approvers across all payment locations.

Further detail of such delegation is set out in the Procedures section of this document.

E1.4 Procurement, authorisation of supplier invoices and the authorisation of payment

Partner Housing Australasia shall clearly define authorities such that there is clear segregation of responsibilities and authorities between –

- Procurement of goods and services,
- Approval of supplier invoices for payment, and
- Authorisation of payment through the banking system.

Partner Housing Australasia The financial audit shall be performed by an auditor who is independent from management and directors and

E1.5 Audited financial statements

Partner Housing Australasia shall ensure that the Annual Accounts and Annual Financial Statement are audited by an independent qualified auditor, consistent with the requirements of the ACNC and ACFID Code of Conduct. The Auditor shall be independent from the Directors and Managers to ensure that the financial statements are made objectively.

E1.6 Control funds sent overseas

Partner Housing Australasia shall ensure that the transfer of funds is properly approved and authorised, in accordance with the Procedures. This process involves receiving an appropriate invoice, determine the appropriate exchange rate and transfer costs, approval, bank authorisation of the transfer, obtaining a receipt, and obtaining an acquittal.

E1.7 Financial human resource capacity to effectively manage its commitments and obligations to DFAT

Partner Housing Australasia Board Treasurer shall be a qualified and experienced accountant. The Finance Manager shall be a qualified and experienced accountant.¹

Partner Housing Australasia shall provide its Finance Manager with the resources necessary to fulfil the specified function. Such resources shall include access to a commercially available accounting software package to suit the needs of the Organisation, and a comprehensive electronic and hard-copy filing system.

E1.8 Absorptive capacity to meet matching ratio requirements

Partner Housing Australasia shall demonstrate its ability to meet matching ratio requirements to effectively program and manage the level of funding contribution, required by donors (including, but not limited to DFAT ANCP), provided or anticipated in the next financial year. Evidence shall include a level of reserves, sufficient to fund operational requirements and organisational requirements.

E2.1 Monitoring expenditure

Partner Housing Australasia shall ensure that its financial systems, and those of its Partner Organisations, provide timely details, sufficient to effectively monitor and control program expenditure. This shall be achieved by a method appropriate to the particular program, including –

- Providing direct grants to the implementing Partner Organisation (supported by financial acquittals and inspection of the partners accounts); and/or
- A combination of direct grants to the implementing Partner Organisation (supported by financial acquittals and inspection of the partners accounts) and direct payments to selected overseas suppliers of goods and services (monitored through the Partner Housing Australasia accounting system).

¹ Provided there is clear differentiation and separation of the Board and Management roles, any Director may serve as a Manager.

Responsible Personnel

The person with overall responsibility for implementing this policy is the Chief Executive Officer (CEO), with delegated responsibility to the Finance Manager.

Further delegations, including the authorities for procurement and expenditure, approvals of invoice payment and authorities to transfer from the bank account, shall be as per the schedule of delegations and the delegations within specific procedures.

The Responsible Managers are as follows –

- Overseas projects – Regional Manager for that project
- Australian administration costs – Administration Manager or Finance Manager
- ACFID costs – Professional Services Manager
- Insurances, Australian Federal Police checks and other HR costs – HR Manager
- Approvals for invoice payment and other expenditure – Any two Managers.
- Bank transfer authorisations – Two of either Finance Manager, HR Manager, Professional Services Manager, or Administration Manager. (Must not be two people from the same family or two people in a close relationship)

Alternates – If the CEO is unavailable, the Professional Services Manager may assume the appropriate responsibility.

Procedures

Review of these Policies and Procedures

The policies and procedures set out in this “Policies and Procedures” document shall be reviewed at each Annual General Meeting, as part of the scheduled general policy review.

Risk Analysis

The CEO shall implement the following:

- Prepare a Risk Analysis for the risk of inappropriate expenditure, fraud or corruption, either directly or through the actions of Partner Organisation.
- Assess and prioritize the risk associated with each program and its component projects, and determine the appropriate mitigation actions.
- Record the Risk Analyses in the Strategic Plans appropriate to each program.
- Summarize the Risk Analyses and the mitigations in a Risk Register.

Board Reporting Requirements

The Finance Manager shall execute the following activities.

- Keep formal accounts, recording income and expenditure on a quarterly basis.
- Obtain Expenditure Approval by two authorised Directors before incurring significant expenditure (outside the specified petty cash limits or approved budget). This may be relaxed for recurrent expenditure that has been previously approved by the Board (in the current Annual Budget and Financial Plan).
- Present a Quarterly Trial Balance sheet to each quarterly Board Meeting.
- Present the Quarterly Expenditure to each quarterly Board Meeting.
- Obtain Board approval for the Quarterly Expenditure that has been incurred during each quarter.
- Present the draft Annual Accounts and draft Annual Financial Report to the August Board Meeting for interim approval.
- Present the audited Annual Accounts and final Annual Financial Report to the December Board Meeting for approval.
- Present the approved audited Annual Accounts and Annual Financial Report to the December AGM for adoption.

Authority to Procure Goods and Services

The Annual General Meeting, acting on the advice of the Board, shall approve an expenditure budget as part of the 10-year Strategic Plan.

Regional Managers have the authority and responsibility to procure goods and services for the overseas design and construction programs, within the approved budget.

Other Managers have the authority to procure goods and services related to their own area of responsibility, within the approved budget.

The Responsible Manager shall obtain quotations before placing any order. More than one quotation shall be obtained unless the required goods and services are similar to previous orders that have been satisfactorily

fulfilled. Expenditure outside the approved budget shall be approved by the CEO and one other Director before any goods or services are ordered.

Authority to Approve Expenditure

Before expenditure of funds takes place (payment of invoices, outgoing donation or transfer of funds to international partners), the Expenditure Approvals shall be obtained. The Expenditure Approval may be in the form of an email by the approving parties. The specific authorities to approve each expenditure, donations, transfers, establishment of new payees are as follows.

Expenditure that may be made by personal cash, personal credit card, cheque

Expenditure (including petty cash) made by personal cash, personal credit card, cheque up to \$500 in any one payment and not more than \$ 3,000 in any year:

Any Director, provided the CEO or Finance Manager is notified in advance, and approves the payment by email reply. Any claim for reimbursement shall be made before the next scheduled Board Meeting.

Expenditure that must be made by Partner Housing Australasia cheque or bank transfer

- (a) Expenditure up to \$ 6,000 in any one payment and up to \$ 20,000 in any year:
Responsible Director + another Director ... OR Level (b) below –
- (b) Expenditure up to \$ 60,000 in any one payment and up to \$ 100,000 in any year:
Responsible Director + President/CEO ... OR Level (c) below –
- (c) Expenditure in excess of \$ 60,000 in any one payment and unlimited in any year:
Board approval of the budget (or majority of Directors) + Responsible Director + President/CEO

Conditions on the Expenditure Approval Process

To initiate the transfer of funds to implementing Partner Organisations for projects (already approved in principle by resolution at a Board Meeting, AGM or EGM), the Regional Manager shall send an email both requesting and approving the transfer of funds to Partner Organisations.

A second Director (usually the CEO) shall also approve the transfer, before it is executed.

For the Solomon Islands Account, three directors are required, since one is normally involved in the bank transfer authorisation.

Additional expenditure resulting from fluctuations in the international exchange rate, up to 10% of an amount previously approved by the Board, may be approved without first obtaining further Board approval.

The Regional Manager shall execute the transfer of additional funds (up to 10% of the amount previously approved for particular projects), for legitimate unforeseen circumstances such as movements in the exchange rate or unavoidable extra work. This request must be approved jointly by the Regional Manager, Finance Manager and CEO.

The request for the transfer of funds to Partner Organisations shall nominate the Australian dollar amount to be transferred, together with an estimate of the local funds likely to be received into the recipient's bank account, the exchange rate and bank fees.

Authority to Operate Bank Accounts and Make Payments, Donations and Transfers

Only Directors who have not been part of the Expenditure Approval Process, shall authorise bank payments. The following authorities refer to both “on-line” banking and “in-person banking”. Notwithstanding, Partner Housing Australasia discourages the use of “in-person” banking, such as writing cheques, which is conducted off-line. Two people from the same family shall not both have simultaneous authority to operate any of the bank accounts.

Authority to operate the bank accounts and term deposits shall be limited to the Finance Manager, the Administration Manager, the HR Manager and the Professional Services Manager.

Authority to operate the Solomon Islands Project Account is extended to the South Pacific Development Manager and the Regional Manager Solomon Islands up to an expenditure limit of \$20,000.

Conditions on the Banking Authorities

The Finance Manager and the HR Manager are not normally part of the Expenditure Approvals Process and therefore may be Authorising parties for bank transfers.

If the Finance Manager is unavailable, the Human Resources Manager or Administration Manager may assume the appropriate responsibility, provided they have not been one of the expenditure-approving parties.

If the CEO is unavailable, the Professional Services Manager may assume the appropriate responsibility.

Preparing Monetary Transfers

The Finance Manager shall –

- Obtain the relevant receipts from the Partner Organisations on payment.
- Receive and file such receipts in a manner suitable for audit.
- Advise the Board of such transfers at the next Board meeting.
- Transfer of Funds to Overseas Suppliers
- When preparing a Westpac international payment, refer to the Foreign Exchange Rates published daily by Westpac on the website.
- For any large amount of payment, e.g., AUD \$5,000 or over, Partner Housing Australasia may use Compass Global Holdings to transfer funds overseas, provided that this yields a significant saving in transfer costs.
- Obtain an acknowledgement of the receipt of the transferred funds, including the conversion rate, bank transfer fees, and local currency amount;
- Obtain an acquittal of funds expenditure for the designated purposes.

Anti-fraud and Anti-money-laundering requirements

Money shall only be transferred internationally to implementing Partner Organisations (including, but not limited to, Vision for Homes (PNG) and South Ranongga Community Association (Solomon Islands)) or to established businesses (such as hardware suppliers, transport companies and the like) that have been approved by the Board to receive such moneys.

All transactions shall comply with the relevant laws, taxation, counter-terrorism financing and anti-money-laundering legislation and the other relevant Partner Housing Australasia Policies including P23040357-1 Anti-Fraud & Anti-Corruption Policy & 23040358-1 Prevention of Terrorism Financing. Advice on these matters shall be sought from the Organisation’s Auditor and Solicitor.

Transfers shall be executed only through established banks or approved currency traders. The bona-fides of such organisations shall be reviewed and approved by the Board.

Unsolicited Donations

The Finance Manager shall –

- Check that unsolicited donations made by individuals or companies are not the result of money laundering or fraud.
- If a donation is intended specifically for particular programs, it shall be treated as extra to the normal Partner Housing Australasia commitments in the region.
- When transferring unsolicited donations to the Partner Organisation, include the following text (or similar).

“Please find herein advice of the transfer of AUD \$ #####, raised by ##### for purposes of the ##### community building program. This is additional to the normal scheduled donations by Partner Housing Australasia (up to AUD ##### per annum, depending on the works being constructed).”

Compliance Monitoring

The Finance Manager shall –

- Report all transactions quarterly to the Board. Acceptance of such accounts shall be by Board resolution on the advice of the President/CEO and Regional Manager.
- Ensure expenditure is co-authorised by the specified Directors.
- The “Request for the Transfer of Funds to Partner Organisations” is a special case of this process.
- Advise and seek ratification by the Board of such expenditure (by listing it in the Quarterly Accounts for consideration at the next Board meeting).
- Request the relevant Creditors to provide (by email or mail) formal receipts.
- Receive and file such receipts in a manner suitable for audit.

Banking

The Finance Manager shall –

- Manage all bank accounts, keeping the balances within the Bank Account Guidelines.
- Receive and examine the expenditure requests and approvals submitted by the designated managers for expenditure and other banking transactions. If all is in order:
Co-sign the corresponding cheques, withdrawal slips, direct debits or banking transaction authorities; or:
Co-authorise the corresponding on-line transaction.
- When appropriate, direct the Human Resources Manager to make changes to the on-line banking arrangements.

Bank Account Guidelines

Cheque Account 032-173 440019

Purpose: Cheque Account No 1 is used to receive deposits and make payments. Because this account does not earn interest, its balance shall be kept as low as practical by periodically transferring funds to the Cash Reserves Operating Account No 2. When funds are required to be sent to a Partner Organisation, the appropriate amount shall be transferred back into this Cheque Account No 1, before being transferred to the Partner Organisation. All donations sent to Partner Organisations shall be transferred from this Cheque Account.

Target Minimum Balance: \$ 1,000

Target Maximum Balance: \$ 50,000

Period of Investment: Unlimited

Probable Interest Rate: 0%

Current Authorised Signatories: Jennifer Turner (Finance Manager), Arthur Gray (Administration Manager), Bruce Hutchison (Professional Services Manager), Robyn Johnston (HR Manager)

Required Signatories for Establishment, Withdrawals and Rollovers: Any two Authorised Signatories

Cash Reserves Operating Account 032-087 240272

Purpose: Cash Reserves Operating Account No 2 is used to hold sufficient funds to ensure adequate cash for operations while earning some interest (although the interest rate is significantly less than that on term deposits).

Target Minimum Balance: \$ 1,000

Target Maximum Balance: \$ 100,000

Period of Investment: Unlimited

Probable Interest Rate: 0.7% to 1.5%

Current Authorised Signatories: Jennifer Turner (Treasurer), Arthur Gray (Secretary), Bruce Hutchison (Vice President), Robyn Johnston (Director)

Required Signatories for Establishment, Withdrawals and Rollovers: Any two Authorised Signatories

Cash Reserves Overseas Aid Fund Account 032-4637 264637

Purpose: All tax-deductible donations received specifically for overseas projects shall be received into the Cash Reserves Account No 3 (Overseas Fund). [This is an ATO requirement]. If tax-deductible donations received for overseas projects are inadvertently received into another account, the exact amount shall be transferred into the Cash Reserves Account No 3 (Overseas Fund). The balance of the Cash Reserves Account No 3 (Overseas Fund) is shown in the Balance Sheet as a liability i.e., a commitment of Partner Housing Australasia to expend this money in the future on a suitable overseas project. Because Partner Housing Australasia donates (from Cheque Account No1) amounts well in excess of the tax-deductible donations received by the organisation (into the Cash Reserves Account No 3), it shall be permissible to periodically transfer amounts from the Cash Reserves Account No 3 (Overseas Fund) to the Cheque Account No 1. In order to maximise interest and to minimise the overseas expenditure liability, the balance of the Cash Reserves Account No 3 (Overseas Fund) shall be maintained at a low level, preferably around \$ 100.

Target Minimum Balance: \$ 100

Target Maximum Balance: \$ 1,000

Period of Investment: Unlimited

Probable Interest Rate: Unspecified

Current Authorised Signatories: Jennifer Turner (Finance Manager), Arthur Gray (Administration Manager), Bruce Hutchison (Professional Services Manager), Robyn Johnston (HR Manager)

Required Signatories for Establishment, Withdrawals and Rollovers: Any two Authorised Signatories

Cash Reserves Account Australia Fund Account 032-087 301020

Purpose: All tax-deductible donations for received specifically for Australian projects shall be received into the Cash Reserves Account #3 (Australia Fund). [This is an ATO requirement].

Note: Movements in this account are very unlikely.

If tax-deductible donations received specifically for Australian projects are inadvertently received into another account, the exact amount shall be transferred into the Cash Reserves Account #5 (Australia Fund).

When funds are required to be sent to a Partner Organisation, the appropriate amount shall be transferred back into this Cheque Account, before being transferred to the Partner Organisation.

Target Minimum Balance: \$ 10

Target Maximum Balance: \$ 100

Period of Investment: Unlimited.

Probable Interest Rate: 0.0%

Current Authorised Signatories: Jennifer Turner (Finance Manager), Arthur Gray (Administration Manager), Bruce Hutchison (Professional Services Manager), Robyn Johnston (HR Manager)

Required Signatories for Establishment and Withdrawals: Any two Authorised Signatories acting together. This account is normally operated by the Regional Manager Solomon Islands.

Solomon Islands Project Account 032-087 371096

Purpose: The establishment of this account and its operation is intended to simplify the process of making and recording payments for the Solomon Islands Project. It is not intended for the reimbursement of costs incurred by Australian volunteers, who will receive payment via the Cheque Account if such costs are claimed.

Deposits into Solomon Islands Project Account shall be made when approved by the Regional Manager Solomon Islands (Ian Warren) and the CEO (Rod Johnston) in consultation with the Finance Manager (Jennifer Turner).

Although there can be several deposits each year, each deposit shall not exceed the greater of:

- Half of the budgeted amount for the financial year; and
- \$20,000.

Payments from the Solomon Islands Project Account may be made by two authorised signatories acting together, within the following limits:

All transactions shall be made on the email authorisation of both the Regional Manager - Solomon Islands and the CEO.

A report of all transactions, including advice on who has been added to the list of approved recipients, shall be included for Board approval at the next Board meeting.

The option to use Compass Global for large transfers is applicable.

Payments shall only be made to approved recipients. Approved recipients are SRCA, Tongs Corporation, Transol Limited and Franjiti Shipping. Other approved recipient may be added to this list through formal agreement by the Regional Manager - Solomon Islands and the CEO.

Target Minimum Balance: \$ 1,000

Target Maximum Balance: \$ 20,000

Period of Investment: Unlimited.

Probable Interest Rate: 0.0%

Current Authorised Signatories: Jennifer Turner (Finance Manager), Arthur Gray (Administration Manager), Bruce Hutchison (Professional Services Manager), Robyn Johnston (HR Manager), Ian Warren (Regional Manager Solomon Islands), David Kaunitz (South Pacific Development Manager)

Required Signatories for Establishment and Withdrawals: Any two Authorised Signatories acting together. This account is normally operated by the Regional Manager Solomon Islands.

Special Project Account 032-087 371096

Purpose: This account is intended to simplify the process of making and recording payments for future programs. It is not intended for the reimbursement of costs incurred by Australian volunteers, who will receive payment via the Cheque Account if claimed.

Deposits shall be made when authorised by the CEO (Rod Johnston) and Finance Manager (Jennifer Turner).

A report of all transactions, including advice on who has been added to the list of approved recipients, shall be included for Board approval at the next Board meeting.

The option to use Compass Global for large transfers is applicable.

Payments shall only be made to approved recipients. Approved recipient may be added to this list through formal agreement by a Regional Manager and the CEO.

The transactions on this account shall be recorded in Xero.

Target Minimum Balance: \$ 1,000

Target Maximum Balance: \$ 50,000

Period of Investment: Unlimited.

Probable Interest Rate: 0.0%

Current Authorised Signatories: Jennifer Turner (Finance Manager), Arthur Gray (Administration Manager), Bruce Hutchison (Professional Services Manager), Robyn Johnston (HR Manager)

Required Signatories for Establishment and Withdrawals: Any two Authorised Signatories acting together. This account is normally operated by the Regional Manager Solomon Islands.

Short Term Deposit

Purpose: Invest funds (that are not required for operation in less than 6 months from investment, but could be required for operations 12 months from investment) in a secure Bank Account that maximises the interest yield (net of costs) over the specified period.

Target Minimum Balance: \$ 100,000

Target Maximum Balance: \$ 110,000

Period of Investment: 6 months, but may be rolled over or closed at the end of the period.

Probable Interest Rate: 2.5% to 3.0%

Current Authorised Signatories: Jennifer Turner (Finance Manager), Arthur Gray (Administration Manager), Bruce Hutchison (Professional Services Manager), Robyn Johnston (HR Manager)

Required Signatories for Establishment, Withdrawals and Rollovers: Any two Authorised Signatories

Medium Term Deposit

Purpose: Invest funds (that are not required for operation in less than 12 months from investment, but could be required for operations 24 months from investment) in a secure Bank Account that maximises the interest yield (net of costs) over the specified period.

Target Minimum Balance: \$ 100,000

Target Maximum Balance: \$ 110,000

Period of Investment: 12 months, but may be rolled over or closed at the end of the period.

Probable Interest Rate: 2.6% to 3.5%

Current Authorised Signatories: Jennifer Turner (Finance Manager), Arthur Gray (Administration Manager), Bruce Hutchison (Professional Services Manager), Robyn Johnston (HR Manager)

Required Signatories for Establishment, Withdrawals and Rollovers: Any two Authorised Signatories

Long Term Deposit

Purpose: Invest funds (that are not required for operations in less than 24 months from investment) in a secure Bank Account that maximises the interest yield (net of costs) over the specified period.

Target Minimum Balance: \$ 100,000

Target Maximum Balance: \$ Unlimited

Period of Investment: 24 months, but may be rolled over or closed at the end of the period.

Probable Interest Rate: 2.8% to 4.0%

Current Authorised Signatories: Jennifer Turner (Finance Manager), Arthur Gray (Administration Manager), Bruce Hutchison (Professional Services Manager), Robyn Johnston (HR Manager)

Required Signatories for Establishment, Withdrawals and Rollovers: Any two Authorised Signatories

Accounting

The Finance Manager shall –

- Maintain all banking and accounting records, including accounts, cheque book and bank statements in a format suitable for auditing.
- Use Xero for this purpose, including the Chart of Accounts.

Mortgages

The Finance Manager shall assist the Administration Manager to implement the mortgage redemption policy.

Quarterly Accounts

The Finance Manager shall prepare Quarterly Accounts and Trial Balance and send to the CEO for inclusion in the Board Business Papers (which are circulated to directors before the meeting) for approval at the following Board Meetings.

December – First quarter (1 July to 30 September)

February – Second quarter (1 October to 31 December)

April – Third quarter (1 January to 31 March)

August – Fourth quarter (1 April to 30 June)

Annual Accounts

The Finance Manager shall –

- Prepare and present the Annual Accounts to the August Board Meeting.
- Prepare and present the draft Financial Statement and the draft Final Accounts to the August Board Meeting.

Financial Audit of the Annual Accounts and Annual Financial Statement

The Finance Manager shall –

- Engage and brief the Auditor, providing the necessary accounts and records.
- Make any modifications required by the Auditor.
- Present the Auditor's Report to the December Board Meeting and the Annual General Meeting.

Budgeted Transaction

The Finance Manager shall –

- Execute all approved and budgeted financial transactions. This includes payment to Habitat for Humanity Australia of \$ 3,040 quarterly.
- Execute minor expenditure or petty cash expenditure up to amount designated in *Authorities*.

Records of Financial Transactions

The Finance Manager shall maintain a copy of all financial records in Xero accounting package, Excel Workbook and/or (where applicable) hard copy.

Acquittals

The Finance Manager shall ensure that its financial systems, and those of its Partner Organisations, provide timely detail, sufficient to effectively monitor and control program expenditure, including financial acquittals of grants and donations. The are two methods of making such financial contributions–

- Providing direct grants to the implementing Partner Organisation (e.g., Vision for Homes), supported by financial acquittals and inspection of the partners accounts; and/or
- A combination of direct grants to the implementing Partner Organisation [e.g., South Ranongga Community Association), supported by financial acquittals and inspection of the partners accounts, and direct payments to selected overseas suppliers of goods and services (monitored through the Partner Housing Australasia accounting system).

Partner Housing Australasia shall monitor the programs using: email exchanges; a Xero accounting software package to record all financial transactions; a customised MS Excel workbook to prepare and record program budgets (including for specific projects); and customised MS Excel workbooks DANCER and VILLAGE AQUA to design and cost standardised buildings and water or sanitation projects (respectively).

Partner Housing Australasia shall receive this transparent financial information in sufficient detail and integrity and on a timely basis, to effectively manage and monitor the expenditure of the program and project activities, including to monitor the program expenditure, record acquittals and to monitor the ability of the implementing Partner Organisations to complete the programs.

The standard cost within the customised MS Excel workbooks DANCER and VILLAGE AQUA shall be updated from the line items for individual projects within the program financial acquittals, and these standard costs are to be used for future budgets for proposed projects. The comparisons shall be prepared by senior management and made available to the managers. Significant variances shall be reported, considered, and noted in the customized MS Excel workbooks.

Financial human resource capacity

The CEO shall ensure that the managers have the resources necessary to fulfil the specified function. Such resources shall include access to a commercially available accounting software package (for example, Xero), access to an MS Excel workbook to suit the needs of the Organisation, and a comprehensive electronic and hard-copy filing system.

Forward planning for adequate financial capacity

The CEO shall prepare and make available the Annual Financial Report and the 10-Year Operating Plan Financial Plan, outlining the finance and the proposed programs, and shall ensure that there are sufficient funds available for matching donor contributions.

Compliance and Auditing

The Responsible Personnel shall implement the following:

- Initiate the required monitoring, evaluation and learning functions associated with this “Policies and Procedures” document.
- Initiate both internal and external auditing, consistent with ISO 9001 principles of the policies and procedures herein.
- Ensure that the compliance with the policies and procedures herein, and the associated internal and external audits, are recorded in the associated “Compliance and Audit Records” documents.

Training

The Responsible Personnel shall implement the following:

- Distribute a reference and link to this “Policies and Procedures” document to all Directors, Regional Managers and Partner Organisation Managers, and other personnel working on behalf of the organisation. (Partner Housing Australasia is a voluntary organisation and does not employ staff).
- Distribute a reference and link to the associated “Training” package. Request that all Directors, Regional Managers and Partner Organisation Managers use this to increase their awareness and understanding of these policies and procedures.
- Include a reference and link to this “Policies and Procedures” document in all Memoranda of Understanding with Partner Organisations.
- Table this “Policies and Procedures” document at the Annual General Meeting, for discussion and adoption.
- Review the training effectiveness at the February Board Meeting.

Expenditure Approval Template



Partner Housing Australasia (Building) Incorporated
ABN 88 722 057 429 CFN: 15429
Web: www.partnerhousing.org
Pro-bono professional services and funding for South Pacific
village infrastructure, housing, water, sanitation and training.



272 Blackwall Road, Woy Woy NSW 2256, Australia
Phone: +61 432 611 550
Email: rod@electronicblueprint.com.au

Partner Housing is a signatory to the ACFID Code of Conduct, which is a voluntary, self-regulatory sector code of good practice. As a signatory we are committed and fully adhere to the ACFID Code of Conduct, conducting our work with transparency, accountability and integrity.

Invoice Payment Approvals and Bank Transfer Authorisations

Payee: #

Payment: AUD \$ #

Purchase or Donation: #

Invoice and other information below (and attached)

To Bank Account: #

From Bank Account: BSB: 032-173 Account No: 440019 Cheque Account

Cost Code:

251	Program - Solomon Islands water supply & training - SRCA
259	Program - Solomon Islands sanitation & training - SRCA
263	Program - PNG buildings & engineering - VFH
270	Program - Other building, engineering & training programs
271	Program - Associated programs - WHPHA
275	Admin - Solomon Islands water supply & training - SRCA
283	Admin - Solomon Islands sanitation & training - SRCA
287	Admin - PNG buildings & engineering - VFH
294	Admin - Other building, engineering & training
295	Admin - Associated programs - WHPHA
300	Accounting
302	Advertising
304	Amortisation
309	Bank Fees
310	Borrowing Costs Expense
318	Consulting Fees
346	Donations
364	Filing Fees
372	General Expenses
381	Insurance
412	Operating Expenses
413	Office Expenses
414	Postage, Printing & Stationery
454	Subscriptions
460	Telephone & Internet
464	Travel - National
465	Travel - International
485	Committed Overseas Expenditure
810	Loan - Habitat for Humanity
811	Provision for Committed Future Overseas Expenditure

812 Sundry Creditors

I hereby approve the payment of this invoice:

Director: #

President / CEO / Public Officer: #

Email approvals are recorded below, together with explanatory information:

On-line bank transfer set up by: #

Directors authorizing the bank transfer to the payee, as payment of the approved invoice:

Treasurer / Finance Manager: #

Director: #

Date of bank transaction: #

Schedule of Banking Authorities

Partner Housing Australasia (Building) Incorporated												
Banking Authorities		These limits and authorities apply to both "on-line banking" and "off-line banking".										
In all cases, two authorised Directors are required.	Chief Executive Officer	Administration Manager	Finance Manager	HR Manager	Professional Services Manager	Communications Manager	Development, Training & Publications Manager	South Pacific Development Manager	Regional Manager PNG	Regional Manager Solomon Islands	Special Projects Manager	Humanitarian Engineering Manager
	Rod Johnston	Arthur Gray	Jenny Turner	Robyn Johnston	Bruce Hutchison	Nicola Smart	Alison Scotland	David Kaunitz	Peter Cheers	Ian Warren	Evy Anwar	Tia Skwarko
Any person or organisation may make deposits into the accounts listed below, subject to scrutiny by the Finance Manager.												
The listed Director (with one other authorised Director) has the authority to make approved payments from the following accounts, up to specified limits per day.												
032-173 440019 Cheque Account	Nil	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
032-087 240272 Cash Reserves Operating A	Nil	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
032-087 264637 Cash Reserves Overseas A	Nil	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
032-087 371096 Solomon Islands Project Ac	Nil	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	Nil	Nil	\$ 20,000	Nil	\$ 20,000	Nil	Nil
032-285 697492 Special Project Account	Nil	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
032-087 301020 Cash Reserves Australia Ac	Nil	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
The listed Director (with one other authorised Director) has the authority to make deposits to and withdrawals from the following accounts, up to the specified limits per term.												
Term Deposit No 1	Nil	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Term Deposit No 2	Nil	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Term Deposit No 3	Nil	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	Nil	Nil	Nil	Nil	Nil	Nil	Nil
The listed Director has the authority to carry out the specified banking functions for the specified accounts. SIPA = Solomon Islands Project Account only.												
Create payees		All	All	All	All			SIPA		SIPA		
Maintain payees		All	All	All	All			SIPA		SIPA		
Maintain payee groups		All	All	All	All			SIPA		SIPA		
View Quick Balance on mobile	All	All	All	All	All			SIPA		SIPA		
View & manage financial position	All	All	All	All	All			SIPA		SIPA		
Stop cheques		All	All	All	All							
View Direct Entry Returned Payments	All	All	All	All	All			SIPA		SIPA		
Manage BPAY View		All	All	All	All			SIPA		SIPA		
Multiple payments		All	All	All	All			SIPA		SIPA		
Templates		All	All	All	All							
Import files	All	All	All	All	All							
Administrator				All								
Senior Approver												