



TASMAN ENVIRONMENTAL TRUST

FINANCIAL MANAGEMENT AND CONTROLS

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Drafted by	Abby Boffa	Approved by Board on	21 February 2022
Responsible person	Sky Davies	Scheduled review date	February 2025

INTRODUCTION

The Board of Tasman Environmental Trust is responsible for overseeing the Finances of the organisation and for ensuring that the organisation operates within a responsible, sustainable financial framework while still meeting the legal responsibilities of a charitable trust. In line with this responsibility, the Board of Tasman Environmental Trust adheres to the following policy

1. BUDGET SETTING AND REPORTING

The Board of Tasman Environmental Trust conducts a budget planning process each year as part of its annual business planning. The organisation operates under a budget that must be flexible in responding to unforeseen events, including possible reductions in cash flow, and therefore be regularly monitored and reviewed.

The Treasurer will work with trust manger/operations manager and project manager to compile budgets and to review budgets in consultation with the Board.

Project budgets will be prepared for each funding grant approved and will be for the duration of the grant. These individual budgets, along with the Trusts operating costs, will form the basis of the annual budget for the business plan.

The Trust Board will approve any non-grant related costs and approve any increases for inflation.

Once approved by the Board, this becomes the operating budget for Tasman Environmental Trust for the following financial year, and all Trustees, employees and contractors must work within the financial limits stated or implied by this document.

Reporting expenditure against the budget

The Treasurer is responsible for reviewing expenditure, preparing and presenting monthly reports, reporting variances and changes and other financial matters related to the Business plan.

2. ETHICAL FUNDRAISING

Tasman Environmental Trust's guiding fundraising principle is a simple one – we will only use techniques that we would be happy to be used on ourselves.

In doing so, the organisation will adhere to the following standards:

- Fundraising activities carried out by Tasman Environmental Trust will comply with all relevant laws.
- Any communications to the public made in the course of carrying out a fundraising activity shall be truthful and non-deceptive.
- All monies raised via fundraising activities will be for the stated purpose of the appeal and will comply with the organisation's stated mission and purpose.
- Nobody directly or indirectly employed by or volunteering for Tasman Environmental Trust shall accept commissions, bonuses or payments for fundraising activities on behalf of the organisation.
- No general solicitations shall be undertaken
- Fundraising activities should not be undertaken if they may be detrimental to the good name or community standing of Tasman Environmental Trust.

Financial contributions will only be accepted from companies, organisations and individuals the Board considers ethical, embrace sustainability and are compatible with genuine environmental aims. A general due diligence check should be undertaken and approved by the Trust manager before any financial contributions are accepted from companies, organisations or individuals.

3. SPONSORSHIP

The fundamental principles that shape Tasman Environmental Trust's relationships with sponsors are:

1. Tasman Environmental Trust will accept sponsorships as an additional source of revenue provided that all sponsorship alliances are developed and maintained within this sponsorship policy (3.3 below). All sponsorship will be reported to the Trust Board.
2. Sponsorship of Tasman Environmental Trust or of any project, program or event held by Tasman Environmental Trust, will not entitle any sponsor to influence any decision of the organisation.
3. Tasman Environmental Trust will not enter into any alliance or partnership with any corporation or organisation where the association with the prospective partner or acceptance of the sponsorship would jeopardise the financial, legal or ethical integrity of Tasman Environmental Trust or adversely impact upon Tasman Environmental Trust's standing and reputation in the community. Sponsorship will only be accepted from companies, organisations and individuals the Board considers ethical, and are compatible with genuine environmental aims. A general due diligence check should be undertaken and approved by the Trust manager before any sponsorship agreement is entered with any companies or organisations.

Naming rights associated with any sponsorship must be approved by the Board.

Any sponsorship will be embodied in written contractual agreements between Tasman Environmental Trust and the sponsorship partner.

4. REIMBURSEMENT OF EXPENSES

Tasman Environmental Trust will reimburse its staff (including volunteers) expenses incurred by them on behalf of Tasman Environmental Trust or in the course of Tasman Environmental Trust business so long as such expenses are:

- (1) Actual and Reasonable and fit within budget
- (2) Authorised (by prior approval if necessary)

Reimbursement of reasonable but unauthorised expenses may be made on an *ex gratia* basis at the discretion of the Trust Manager in exceptional circumstances only.

Staff and volunteers incurring authorised expenditure must, wherever possible, receive, retain and produce receipts, invoices, vouchers, tickets, or other evidence of such expenditure.

Prohibited reimbursements

Tasman Environmental Trust will not reimburse staff, contractors or volunteers for

- Unauthorised expenses
- Expenses claimed by an employee as a tax deduction
- Expenses normally recoverable from a third party
- Expenses that are not incurred for business purposes
- Late payment interest on credit cards
- Parking, traffic, or other fines and penalties

Travel expenses

- Where approved, Contractors, employees will be reimbursed for the most direct and economical mode of travel available, considering all of the circumstances.
- Contractors, employees will not be reimbursed for additional costs incurred by taking indirect routes or making stopovers for personal reasons.
- Use of a contractor, employee own vehicle for work-related travel will be reimbursed by way of an all-inclusive mileage allowance, as shall be determined by the Trust Board from time to time.

Fixed *per diem* payments may be authorised where appropriate.

The Trust Manager is responsible for determining if the expenses being claimed are reasonable given the circumstances, and for ensuring they are charged against the appropriate account, and that any requirements under legislation have been met.

Claims that have not been properly prepared, authorised, or supported by adequate documentation will be returned to the claimant and the reasons will be given for not processing the claim.

The purchase of alcohol is not permitted without pre-approval by the Chair.

5. TRANSACTION CARDS

Transaction cards issued to Tasman Environmental Trust, will only be used for those activities that are a direct consequence of the cardholders' function within the organisation. Their use

will be monitored. Any use of the card inconsistent with this policy and these procedures will be grounds for potential dismissal.

Each financial transaction card will be issued to a specific person, who will remain personally accountable for the use of the card. Cardholders will sign a declaration to this effect.

No more than one card shall be issued per cardholder. Credit limits as appropriate shall be set for each card by the Trust Board in consideration of the delegated authority schedule.

Cardholder's Responsibilities

The Cardholder shall:

- In all cases provide sufficient supporting documentation to validate the expenses in the monthly statement from the bank (e.g. tax invoice) or shall in lieu provide a statutory declaration.
- Review the monthly statement to verify that goods and services listed were received, and check for inaccuracies (and report these to the Treasurer).
- Sign the monthly statement to verify that transactions have been made for official purposes.
- Forward the papers to the authorised signatory for approval.
- Notify the bank and the Trust manager (or in the case of the Trust Manager, the Board Chair) immediately if
 - The card is lost or stolen; and/or
 - Any unauthorised transaction is detected or suspected.
- Notify the Trust Manager and the bank of any change in name or contact details.
- Take adequate measures to ensure the security of the card.
- Return the card to the Chair if
 - The cardholder resigns;
 - the Chair determines that there is no longer a need for the cardholder to retain their card; or
 - the card has been cancelled by the bank.
- the card holder is personally liable for any unauthorised transaction unless the card is lost, stolen or subject to fraud on the part of a third party.

The Cardholder shall not:

- exceed any maximum limits set for the card from time to time.
- obtain cash advances through the card.
- use the card for any proscribed purchases.
- authorise their own expenditure.
- claim double allowances (i.e. request reimbursement for an expense already paid by the card).

Card Expenditure

The card will only be used for those activities that are a direct consequence of the cardholders' function within the organisation. Where coincident and/or private expenditure

occurs on the same transaction (where, for example, a person incurs a debt for personal telephone calls during a hotel stay) the cardholder must settle the private expense prior to charging the balance on the organisational card.

Where doubt exists as to whether or not an item is function-related, prior authorisation should be obtained.

The use of the corporate card for “services of a dubious nature” is expressly prohibited. “Services of a dubious nature” are defined as any goods or services that might bring the name of the organisation into disrepute.

Card Misconduct

Wherever a breach in this policy occurs, the Chair must assess the nature of the breach and institute an appropriate disciplinary process, including (without limitation of the Tasman Environmental Trust’s right to summarily dismiss an employee for serious misconduct):

- counselling and / or verbal warning (and diary or file note created and retained on employee’s personnel file); and
- a written warning.

The Chair may determine whether to report a breach of the policy to the police for criminal investigation.

At the next Finance Committee meeting the Chair shall report:

- the investigation of the circumstances of the breach;
- police reports and action (if any); and
- disciplinary action taken (if any).

6. FRAUD

Tasman Environmental Trust will not tolerate fraud in any aspect of its operations.

Tasman Environmental Trust will investigate any suspected acts of fraud, misappropriation or other similar irregularity. An objective and impartial investigation, as deemed necessary, will be conducted regardless of the position, title, length of service or relationship with the organisation of any party who might be the subject of such investigation.

Any fraud shall constitute grounds for dismissal. Any serious case of fraud, whether suspected or proven, shall be reported to the relevant and appropriate authorities.

The Board of Tasman Environmental Trust has ultimate responsibility for the prevention and detection of fraud and is responsible for ensuring that appropriate and effective internal control systems are in place.

Any person who suspects the commission of a fraud, related to the operations of Tasman Environmental Trust, is required to immediately report it to a manager / appropriate person in authority within Tasman Environmental Trust. Any person reporting a fraud, or a suspected fraud, shall not be penalised for raising a concern of this nature.

In situations where the staff member, volunteer or contractor notifies their supervisor, the supervisor must then notify the Trust Manager (or the Chair of the Board in circumstances where the suspected fraud involves the supervisor or Trust Manager).

Step-by-step guide: Responding to suspected fraud

1. Upon notification an allegation pertaining to fraud, the Trust Manager (or Chair of the Board) will promptly arrange to carry out an initial review into the allegation.
2. After an initial review and a determination that the suspected fraud warrants additional investigation, the Trust Manager (or Chair of the Board) shall coordinate the investigation with the appropriate law enforcement officials or external investigator as deemed appropriate. Internal or external legal representatives will be involved in the process, as deemed appropriate.
3. Once a suspected fraud is reported, immediate action will be taken to prevent the theft, alteration or destruction of relevant records. Such actions include, but are not necessarily limited to, removing relevant records / information and placing them in a secure location, limiting access to the location where the records / information currently exists, and preventing the individual suspected of committing the fraud from having access to the records / information.
4. If an allegation of fraud is substantiated by the investigation, disciplinary action, up to and including dismissal (or termination of an individual's right to work as a contractor or volunteer), shall be taken by the appropriate level of management.
5. The organisation will also pursue every reasonable effort, including court ordered restitution, to obtain recovery of any losses from the offender.

Where a prima facie case of fraud has been established, the matter shall be referred to the relevant and appropriate authorities. If an allegation is made in good faith, but it is not substantiated by the investigation, no action will be taken against the complainant.

The organisation will make every effort to keep the investigation confidential.

AUTHORISATION

Signature of Board Chair

Date of approval by the Board: February 2022
Tasman Environmental Trust