# FINANCIAL POLICIES AND PROCEDURES

## SECTION 1: FINANCIAL MANAGEMENT

## POLICY 1: CEO FINANCIAL MANAGEMENT

### Policy Rationale

[organisation]’s affairs should be managed in a prudent and strategic basis to ensure [organisation]’s financial sustainability. The CEO is responsible for the day-to-day financial management of [organisation] and shall carry out this duty in a manner which shall in no way threaten [organisation]’s financial strength.

Policy Statement(s)

The CEO will manage [organisation]’s financial affairs in a prudent and strategic manner.

Accordingly, they will:

1. Utilise all of [organisation]’s funds solely in furtherance of [organisation]’s purposes and priorities as approved by the board.
2. Use restricted or ‘tagged’ contributions only for purposes in which they are designated.
3. Operate within a financial environment that is broadly defined by an approved budget and which is supported by [organisation]’s policies and strategy.
4. Only approve expenditure which is in keeping with [organisation]’s policies and budgeted resources to meet.
5. Cause [organisation] to incur indebtedness only in the approved process of regular accounts payable incurred in the running of [organisation].
6. Settle all payroll debts in a timely manner.
7. Not allow ordinary operating expenses to become undischarged debts beyond a three month period from when incurred.
8. Not allow any one person alone to have complete authority over any of [organisation]’s financial transactions.

Policy Implementation and Related Procedure Documents

The implementation and review of these CEO Financial Management policies are the responsibility of [organisation]’s board in conjunction with the Audit, Finance and Risk Committee.

The CEO’s performance shall be assessed with reference to the strategic plan, board policies, [organisation]’s values and constitution and the current job description and performance agreement.

[organisation]’s board will also establish supporting policies and frameworks within which the CEO is expected to work, offering boundaries of prudence and ethics.

The following [organisation] policies and frameworks should be referred to in this regard:

* Finance Manual
* Financial Management Policies
* Risk Policies
* Capital Expenditure, Investments & Reserves Policies
* Revenue & Receivables Policies
* Operating Expenditure & Payables Policies
* Treasury Policies
* Tax Policies

### Legislative Compliance Considerations

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* Companies Act 1993 [if a Company]
* Constitution [if a Company]
* Incorporated Societies Act 1908 [if an Incorporated Society]
* Incorporated Societies Act 2022 [applicable if an Incorporated Society registered under the new Act. Reregistration is available from 5 October 2023]
* Incorporated Society Rules [if an Incorporated Society registered under the 1908 Act]
* Incorporated Society Constitution [if an Incorporated Society registered under the 2022 Act]
* Trust Deed [if a Trust]
* Trusts Act 2019 [if a Trust]
* Charities Act 2005 [if a registered Charity]
* Charitable Trusts Act 1957 [if a Charitable trust]

### Review Protocol

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| --- | --- |
| Policy Reviewed By: | Audit, Finance & Risk Committee |
| Date Reviewed: | [Date] |
| Next Review Date: | [Date] |
| Revokes Policy Reviewed: | [Date] |