



**The Noosa Biosphere® Reserve
Foundation Ltd**

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GOVERNANCE POLICY

Policy Name:	Financial Policies & Procedures
Endorsed by board:	V1 Adopted 25 September 2015 V2 Adopted 7 August 2020
Scheduled review date:	June 2025

Contents

Introduction	2
1 Finance Authorisation	2
1.1 Procedures	2
1.2 Authorisation Thresholds & Evaluation Procedure	2
2 Expense Claims	4
2.1 Expense Claim Procedure	4
3 Payroll	4
3.1 Payroll Procedure	4
4 Procurement	5
4.1 Background	5
4.2 Purpose	5
4.3 Key Principles	5
4.5 Roles and Responsibilities	8
4.6 Relevant Legislation	8
5 Investment	8
DEFINITIONS	8
CHANGE LOG	9



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Noosa Biosphere Reserve Foundation Ltd
NBRF - Financial Policy and Procedure Manual V1
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Introduction

The Financial Policies & Procedures provides the policies and procedures for finance transactions within the business which must be followed by all members of the organisation. It also provides guidelines the Noosa Biosphere®¹ Reserve Foundation Ltd (the Foundation) use to administer these policies, with the correct procedure to follow.

NBRF will keep all financial policies current and relevant. From time to time it will be necessary to modify and amend some sections of the policies and procedures, or to add new procedures.

Background

The Foundation is trustee of the Noosa Biosphere® Reserve Public Trust (the Trust). The Trust is registered as a charity under the *Australian Charities and Not-for-profits Commission Act 2012* for the public charitable purposes of advancing the natural environment. Both the Foundation and the Trust funding come from third parties or fundraising activities.

As a community based charitable organisation, the Foundation has a high level of responsibility to ensure that financial procedures are transparent and impartial and scaled to meet the financial capability of the Foundation.

1 Finance Authorisation

1.1 Procedures

Prior to any of the following finance transactions being undertaken, the authorising person noted must authorise the transaction.

1.2 Authorisation Thresholds & Evaluation Procedure

This procedure is to be read in conjunction with other specific finance procedures in this document including:

- 4. Procurement

Thresholds	Expenditure	Evaluation and Approval	Payment Authorisation
\$ 0 - \$200		One member of the Executive Committee	One member of the Executive Committee
\$201 - \$7,500	Single item expenditure – verbal quotation acceptable but at least 1 written quote preferred	Executive Committee (Chairperson, Deputy Chairperson and Executive Officer/Company Secretary) Quotations to be recorded	Two members of the Executive Committee

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		<p>Evaluation to consider 4.3 Key Principles</p> <p>Subject matter expert may need to be consulted</p>	
\$7,501 - \$15,000	<p>Single item expenditure or aggregated linked project expenditure based on minimum of 2 written quotations</p>	<p>Executive Committee (Chairperson, Deputy Chairperson and Executive Officer/Company Secretary)</p> <p>Quotations to be recorded</p> <p>Evaluation to consider 4.3 Key Principles</p> <p>Subject matter expert may need to be consulted</p>	<p>Two members of the Executive Committee</p>
\$15,001 - \$200,000	<p>Single item or aggregated linked project expenditure based on minimum of three written quotations from persons or organisations the Board considers can meet its requirements, at competitive prices</p>	<p>Board to elect evaluation panel with appropriate backgrounds or subject matter expertise (uneven number – maximum of 5, but minimum of two to be Board members)</p> <p>The Panel must accept the quote most advantageous to the Foundation having regard to the sound contracting principles</p> <p>Evaluation to consider 4.3 Key Principles</p> <p>The recommendation of the panel to be submitted to the Board at a Board meeting or flying minute along with budget implication.</p> <p>Quotation and evaluation documentation to be recorded.</p>	<p>Two members of the Executive Committee</p>
Over \$200,000	<p>All activities require a formal public expression of interest or request for tender process.</p> <p>EOI or tender period to be no less than 21 days.</p>	<p>Board to elect evaluation panel with appropriate backgrounds or subject matter expertise (uneven number – maximum of 5, but minimum of two to be Board members)</p> <p>The Panel must accept the quote most advantageous to the Foundation having regard to the sound contracting principles</p> <p>Evaluation to consider 4.3 Key Principles</p> <p>The recommendation of the panel to be submitted to the Board at a Board meeting or flying minute</p>	<p>Two members of the Executive Committee</p>



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NBRF - Financial Policies and Procedures V1
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 Last printed 21 Oct 2015

		along with budget implication. Quotation and evaluation documentation to be recorded.	
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2 Expense Claims

This procedure is to be read in conjunction with other procedures in this document:

- Finance Authorisation
- Procurement

2.1 Expense Claim Procedure

- All expenses by **non-executive committee members** over \$100 require approval BEFORE they are incurred.
- Expenses by **executive committee members** are covered by the Finance Authorisation Policy with the exception, that claims cannot be approved by the expense claimant.
- Expenses need to be submitted
 - containing name, expense details and bank account details
 - preferably using the [Expense Claim Template](#).
- Bills / receipts (digitally or paper) to be submitted with the claim
- **Claims cannot be approved by the expense claimant.**
- Expense claims to be submitted in a timely manner -
 - within two months after incurred
 - 2 weeks before the end of the financial year
 - whichever comes first.

All expense claims shall be processed by bank transfer from the Foundation Bank Account.

3 Payroll

This procedure is to be read in conjunction with other procedures in this document:

- Finance Authorisation

3.1 Payroll Procedure

Regular pay runs through the accounting system are to be paid from the 'Foundation Account' - requiring two executive committee members to authorise.

Irregular pay runs require authorisation in line with the Finance Authorisation Procedure.

4 Procurement

4.1 Background

As a community based charitable organisation, the Foundation has a high level of responsibility to ensure that



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the goods and services procured by the Foundation:

- Are subject to a procurement process that is transparent and impartial and scaled to meet the financial capability of the Foundation.
- Are sourced, manufactured, delivered, used and disposed of in an environmentally, socially and economically responsible manner where it is practical and efficient to do so; and
- Deliver long term value for money for the Foundation and its funding partners.

4.2 Purpose

The policy sets out the Foundation's policy for procurement of goods and services and the disposal of any asset to ensure there is a transparent and consistent approach to all transactions.

4.3 Key Principles

The 5 key principles to be followed for all procurement activities include:

1. Sustainable procurement (Environmentally, socially, economically)
2. Ethical behaviour and fair dealing
3. Value for money
4. Support for local business
5. Compliance with relevant legislation

In undertaking procurement activities, the Foundation will take into consideration the key principles. These principles do not necessarily have equal weighting and decisions will need to be made taking a balanced approach.

4.4 Sustainable procurement² dimensions

In striving for a sustainable approach to its procurement needs, consideration will be given to:

4.4.1 Environmental Sustainability

- Goods with a lower impact on the environment over the life cycle of the good or service when compared with competing goods or services serving the same purpose.
- Suppliers who are leading the way in sustainability through their own actions.
- Whole of life costs for any higher cost procurement requirements.

Depending on the commodity being procured, key issues which may be considered over the life cycle of the

² Sustainable procurement is a process whereby organisations meet their needs for goods, services and capital projects, in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society, the economy and the natural environment. *Integrating sustainability into the procurement process* Office of the Chief Advisor – Procurement, The State of Queensland (Department of Housing and Public Works) 2018, <https://www.forgov.qld.gov.au/file/50671/download?token=3BsWStxa>



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NBRF - Financial Policies and Procedures V1
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goods/service include:

- Energy use, and type of energy utilised.
- Water use and water quality impacts.
- Resource use, including the use of reusable or recyclable materials.
- Volume and type of waste generated.
- End of life options (recycling, resource recovery).
- Impact on natural habitats.
- Level of toxic and hazardous substances/waste.
- Noise, pollutants and emissions.

4.4.2 Social Sustainability

- Suppliers have fair employment practices – fair wages, workforce equality, diversity, avoidance of bonded labour.
- Suppliers screen their supply chain to ensure fair trade and ethical sourcing practices, ensuring that purchases do no harm in terms of labour standards.
- Diversity and equity in the supplier market – ensuring marginalised groups are included and have opportunities to participate.
- Local sustainability – contribution to building and maintaining a healthy, strong community by generating local employment.

4.4.3 Economic Sustainability

- Goods and services that are more efficient to operate and thereby reduce operating costs (including consumables, energy, water and time).
- Avoiding procurement in excess of needs (reduce unnecessary consumption and demand).
- Reducing end of life disposal costs and impacts.

4.5 Ethical behaviour and fair dealing

The Board and its authorised employees will:

- Be honest, impartial and act with integrity when dealing with suppliers.
- Avoid the practice of “free-pitching” (seeking services for free when it would be reasonably required that a payment be made for the good or service) wherever possible.

4.6 Value for money

The Foundation has limited funds and has a responsibility to achieve the best value for money in its procurement activities. The value for money assessment includes:

- Contribution to the advancement of the Trust’s purposes and the Foundation’s objects.
- Non cost factors such as fit for purpose, quality, services and support together with sustainability



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considerations.

- Cost related factors including whole of life and transaction costs associated with acquisition, use, holding, maintenance and disposal.

4.7 Support for local business

Where all factors are equal, the following attributes will also be taken into account:

- More readily available servicing and support.
- More convenient communications for the supply or service arrangements.
- Contribution to local employment opportunities.

4.8 Compliance with relevant legislation

In its procurement activities the Foundation will ensure that it deals with suppliers who comply with relevant Australian, State and Local government legislation.

4.9 Expenditure thresholds & evaluation requirements

Refer to part 1.2 Authorisation Thresholds & Evaluation Procedure.

4.10 Communications

Where a panel has been established, they are to nominate one contact person to be the sole point of contact on behalf of the Foundation. In most cases this should be the Company Secretary and/or Executive Officer unless it requires subject matter expertise.

4.11 Reporting

Where the procurement requires Board approval a full report on the evaluation and a recommendation is to be submitted to the Company Secretary for inclusion on the next available board meeting agenda.

4.12 Record keeping

All transactions shall be captured to the Foundation financial systems and copies of invoices and receipts to be retained in accordance with relevant legislative requirements.

4.13 Asset disposal

In the event of disposal of any assets, the Board shall determine the most appropriate methods of disposal depending on the value of the item. Every endeavour will be made to realise the best value return for the Foundation or alternatively the item is to be donated to a suitable not-for-profit organisation. Expressions of interest may be issued where the item is to be donated to determine the most suitable recipient.

4.5 Roles and Responsibilities

The Chairperson is responsible for bringing this policy to the attention of new Board members and the Company Secretary and/or Executive Officer.

The Company Secretary and/or Executive Officer are responsible for:

- Providing a copy of this policy to suppliers on request.



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- Ensuring any other employees or volunteers involved in procurement activities are informed of this policy; and
- Monitoring all Board purchases and ensuring compliance with this policy.

The Board as a whole has responsibility for the policy and ensuring that it is regularly reviewed (minimum annually).

4.6 Relevant Legislation

Australian Taxation Laws

5 Investment

In order to earn interest on money not required in the immediate future, the Foundation may, at the discretion of the Executive Committee, invest in short-term Term Deposits at Bendigo Bank or one of the four major banks and only those banks.

Funds invested should not be required before the Term Deposit expires to avoid loss of interest from breaking the Term Deposit period.

Normally, only reserve funds over \$40,000 should be invested in higher interest yielding accounts.

DEFINITIONS

NBRF	Abbreviation of Noosa Biosphere® Reserve Foundation Ltd and Noosa Biosphere® Reserve Trust
Board	Means the members of the Noosa Biosphere® Reserve Foundation who have been elected as directors.
Executive Committee	Chair, Deputy Chair, Executive Officer and/or Company Secretary
Board Approval	Board to vote in board meeting or Flying Minute
Foundation Bank Account	Bank account for operational funds and expenditure
Trust Fund Bank Account	Trust account for grants scheme funds
Debit Card Account	Bank account for bill payments, petty cash, minor purchases
Approve/Approval	Within the online banking system where possible. Otherwise in writing - by email is acceptable or minuted (board approval).
Sustainable procurement	a process whereby organisations meet their needs for goods and services in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organisation, but also to society, the economy and the natural environment.



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CHANGE LOG

Date	Version	Summary	by who
24 August 2015	DRAFT	Created document to have one consistent document covering all financial policies Procurement Policy: Removed Authorisations from Evaluations Removed Definitions and added them to the end of the document to remove double up.	Bettina, reviewed by Scott
26 August 2015	DRAFT	Reviewed	by Noel/Narelle
26 August 2015	DRAFT V2	Amended as suggested by Noel and Narelle submitted to Scott for review	Bettina
15 Sep 2015	DRAFT V3	Send to Noel and Scott for review	Bettina
18 Sep 2015	DRAFT V3	Submitted to Board for review	Bettina
25 Sep 2015	DRAFT V3	Adopted by the Board	
21 Oct 2015	V1	Renamed the adopted document to 'Financial Policies and Procedures V1' and printed	Bettina
20 June 2020	V1.01	V1 reviewed and benchmarked against Noosa Council Procurement Policy Renamed V1.01 Item 1.2 Increased expenditure threshold to \$200,000 in line with Noosa Council Procurement Policy	Duncan
7 August 2020	V2	V1.01 amendments accepted Adopted	Board



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