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# FINANCE POLICY

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<b>APPLICABILITY</b>	AOG World Relief Vietnam Team (Staff) Members, Volunteers, Visitors & Project Partners
<b>VERSION</b>	March 2022
<b>WRITTEN BY</b>	Kelvin Windsor <i>AOGWR Vietnam Program Director</i>
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## SECTION 1: INTRODUCTION

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This AOG World Relief Vietnam Financial Policy and Procedures provides the policies and procedures for finance transactions within the organisation which must be followed by all staff. It also provides guidelines AOG World Relief Vietnam (hereon after referred to as AOGWR Vietnam) will use to administer these policies, with the correct procedure to follow.

AOGWR Vietnam 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.

Any suggestions, recommendations or feedback on the policies and procedures in this manual are welcome.

These policies and procedures apply to our team (staff), our volunteers, our visitors, our partners, our contracted service providers.

The external AOGWR Vietnam Finance Manual will outline and instruct AOGWR Vietnam's recording of financial information.

#### 1. PURPOSE OF THE POLICY

All finance transactions as noted in this policy are to be authorised by the noted authorised person prior to the transaction being undertaken.

This policy is to be read in conjunction with other specific finance policies where relevant.

#### 2. PROCEDURES

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

Finance Transaction	Authorised Person
Bank Accounts	Kelvin Windsor
Issuing Petty Cash/Cash Advances	Kelvin Windsor
Organisation Credit Card	Kelvin Windsor
Purchases	Kelvin Windsor
Purchasing Assets/ Equipment	Kelvin Windsor
Payment of Invoices	Kelvin Windsor

In the absence of the authorised person a member of the AOGWR Vietnam Management Team can authorise any of the above transactions.

### 1. PURPOSE OF THE POLICY

This policy sets out the requirements for use of bank accounts, including opening, closing authorisation, variations to terms and conditions, reconciliation of bank accounts and bank account transactions.

### 2. PROCEDURES

#### OPENING BANK ACCOUNTS

Any new bank accounts to be opened for the organisation must have the authorisation of Kelvin Windsor, Program Director.

For each new bank account opened, the financial system must be updated and the bank account registered by Kelvin Windsor, Program Director.

A further signed and authorised letter maybe required from Australian Christian Churches International.

#### BANK ACCOUNT AUTHORISATIONS

For monies withdrawn from any bank account, by cheque there must be two unrelated persons authorising for each payment.

The authorised persons for bank account payments are:

- Paul Anthony Hilton – Country Director
- Deborah Anne Hilton – Country Director
- Kelvin Anthony Windsor – Program Director
- Rebekah Louise Windsor – Program Director
- Tran Cau – Project Advisor
- Tran Phuong Hien – Program Manager

Each payment made must be supported by invoice, receipt or other appropriate documentation and the authorisations must be attached to this documentation prior to payment.

In the event where two related persons are authorising a withdrawal, notification for approval must be sent to the AOGWR Vietnam Advisory Board. Upon approval from the AOGWR Vietnam Advisory Board, the transaction can be made.

#### Online/Phone/Fax/EFT Payments

Payments made online or by phone, fax, or electronic funds transfer (EFT) may be processed by the Program Director only after an Electronic Payment Authorization form is approved by the proper signatories (detailed above). The same controls should be followed except that the

completed, approved Electronic Payment Authorization form will take the place of a traditional check. Any such payment is documented by a printed confirmation and stapled to the invoice. Online and ETF payments shall be limited to 20.000.000VND or its equivalent in foreign currency.

### **VARIATIONS TO BANK ACCOUNT TERMS AND CONDITIONS**

Any variations to banking arrangements can be made or varied by an AOGWR Vietnam Program Director. The AOGWR Vietnam Finance Manager is responsible for updating the financial system and/or bank account register with the new information.

### **CLOSING BANK ACCOUNTS**

Where it is decided that a bank account is no longer necessary, a AOGWR Vietnam Program Director will authorise the closure of the bank account.

The AOGWR Vietnam Finance Manager will then be required to complete the following:

- ensure all transactions with respect to the account (including cheques drawn) have been completed;
- lodge with the bank a letter, signed by two unrelated authorised signatories advising of the closure of the account;
- meet the bank's requirements with respect to account closure; and
- update the financial system and bank account register.

### **3. BANK ACCOUNT TRANSACTIONS**

Unallocated direct deposits of more than one month will be investigated fully to determine source of deposit. Where the source cannot be identified, the deposit will be allocated to a suspense account to keep these funds separate and identifiable.

Cheques outstanding for more than twelve months will be reallocated back to the organisation through the financial system.

Where a payment stop on a cheque is required, this will be authorised by a AOGWR Vietnam Program Director.

The AOGWR Vietnam Finance Manager will be responsible for carrying out the following duties in regard to payment stop on a cheque:

- ensuring the cheque has not already been presented at the bank;
- getting authorisation to action the stop payment using appropriate forms from the bank;
- ensuring the bank receives notification of the stop payment notice;
- receiving confirmation of action from the bank of the stop payment; and
- ensuring the details of the stop payment are kept in the stop payment folder.

## SECTION 4:

# PETTY CASH & CASH ADVANCE POLICY

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### 1. PURPOSE OF THE POLICY

Petty cash and or cash advances should be used to pay for small organisation expenses up to 2.000.000 VND where payments through accounts payable or credit card are not justified or appropriate.

### 2. PROCEDURES

#### ISSUING CASH IN SAFE

Only up to a total 100,000,000 VND for the Cash in Safe can be held. Any amount over this must be authorised by a AOGWR Vietnam Program Director.

All Cash-In-Safe top ups must be approved by a member of the Management Team.

#### RECONCILING CASH IN SAFE

Cash-In-Safe is to be reconciled by the AOGWR Vietnam Finance Manager at the end of the month and a report issued to the AOGWR Vietnam Advisory Board the month after to be signed off by a non-related member.

All Cash-In-Safe expenditure must be entered into the financial system once they have been reconciled.

The balance of monies and receipts must equal the amount as at the beginning of the month.

#### ISSUING PETTY CASH & CASH ADVANCES

Petty cash & cash advance vouchers and/or envelopes must be completed before any cash is taken from the petty cash float.

Only up to 10.000.000 VND can be disbursed at any one time. Any amount over this must be authorised by an AOGWR Vietnam Program Director.

All petty cash & cash advance vouchers and/or envelopes issued must be approved by the AOGWR Vietnam Finance Manager.

Once the petty cash or cash advance is spent, a receipt or invoice should be attached to the voucher or in the envelope and returned to petty cash with any balance of monies unspent.

All completed vouchers and envelopes must have the following details included:

- Issue date of voucher/envelope;

- Name of person issued the voucher;
- Amount of monies disbursed;
- Details of expense;
- Invoice or receipt; and
- Signature of approval person.

### **RECONCILING PETTY CASH**

Petty cash & cash advances are to be reconciled by the AOGWR Vietnam Finance Manager at the return of the monies & corresponding receipts.

All petty cash & cash advances expenditure must be entered into the financial system once they have been reconciled.

The balance of monies and receipts must equal the amount distributed before reimbursement can be made.

Reimbursement of petty cash will be authorised by the AOGWR Vietnam Finance Manager.



## SECTION 5: ORGANISATION CREDIT CARD

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### 1. PURPOSE OF THE POLICY

This policy provides guidelines for the issue and use of organisation credit cards.

### 2. PROCEDURES

An employee will only be issued a credit card once the Credit Card Authorisation Form has been completed.

The organisation credit card can only be used for travel and purchases of small value expenses or equipment up to the value of 2.000.000 VND. Any amount over this must be authorized by an AOGWR Vietnam Program Director.

No advances are to be taken using the organisation credit card unless authorised by a AOGWR Vietnam Program Director.

Where an organisation credit card is lost or stolen, then the owner of this card is to notify the AOGWR Vietnam Finance Manager who is responsible for notifying the issuing agency and ensuring the card is cancelled.

The use of the organisation credit card is not to be used for personal expenses.

All holders of organisation credit cards are required to reconcile the monthly credit card statement to the expense form, attach all receipts for payments made on the credit card and have the expense statement authorised by an AOGWR Vietnam Finance Manager.

Upon completion and authorisation of the monthly expense statement, these documents are to be forwarded to the AOGWR Vietnam Finance Manager for payment of the credit card statement.

All organisation credit cards are to be returned to the organisation when the person is requested to by an AOGWR Vietnam Program Director or where they are no longer an employee of the organisation.

## SECTION 6: PURCHASING POLICY

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### 1. PURPOSE OF THE POLICY

This policy provides guidelines for the purchase of goods, services, equipment and assets for the organisation.

This policy is applicable for all purchases over 2,000,000 VND. Where items to be purchased are less than 2,000,000 VND, then the petty cash policy is to be used.

### 2. EQUIPMENT ASSET PURCHASES

All equipment and asset purchases must be entered in the financial system by the Finance Manager with the following details included:

- Date of purchase;
- Supplier; and
- Make, model, warranty/guarantee information.

### SERVICE AGREEMENTS

All agreements for the provision of services to the organisation more than 2,000,000 VND are to abide by this policy.

### 3. RECEIPT OF PURCHASES

All purchases received are to be checked and noted as correctly supplied.