

Financial Management

1. Purpose and Scope

The purpose of this policy is to ensure that the finances of the Australian Online Music Institute are managed, documented and authorised in a responsible manner.

This policy contains information for the Executive Leadership Group, the CEO/Manager and administration staff to ensure compliance with the statutory and financial requirements of the Australian Accounting Standards, the Australian Tax Office and the SA Office of Fair Trading.

This policy ensures that Australian Online Music Institute uses efficient financial management practices and systems including Auditing and provision of information for Compliance with the Standards for NVR Registered Training Organisations.

2. Principles

AOMI is committed to honesty and integrity in all aspects of its financial management process.

Financial decisions are made within a sound accountability framework, using robust and transparent systems.

Cost effectiveness, value for money and protection of finances enable the organisation to maximise finances available for application to **AOMI**'s strategic objectives.

3. Outcomes

Full compliance with financial related legislation and funding body requirements.

Financial management is transparent, documented, authorised and endorsed by the Executive Leadership Group

Financial planning, budgeting and expenditure ensures the sustainability of the organisation.

Financial risk is mitigated by applying best practice in financial management.

Revision	By Whom	Date
Reviewed, no changes	G Bottrill	5 Aug 17
Reviewed, no changes	A Palmer	31 Jul 19
Reviewed, minor changes	A Palmer	20 Sep 20

The Director has the responsibility and authority to:

- a. Ensure compliance with financial management policies, procedures and systems
- b. Monitor and report on compliance with these financial management policies and procedures
- c. Undertake reviews of the effectiveness of the policies, procedures and systems annually and to use the results of such reviews to drive further improvements
- d. When requested, provide ASQA with a formal assurance that Australian Online Music Institute has sound financial management standards for matters relating to the Scope of Registration and scale of operations.

3.1 Certification of Accounts and Access to Certified Accounts

Accounts will be certified annually by a qualified accountant to the Australian Accounting Standards and an audit report will be made available to ASQA if requested.

4. Functions and Delegations

Position	Delegation/Task
Board of Directors	<p>Develop and endorse the Financial Management Policy.</p> <p>Comply with Financial Management Policy.</p> <p>Endorse monthly financial reports, annual budgets and forecasting.</p> <p>Endorse annual financial accounts.</p> <p>Authorise Board reimbursement for expenses.</p> <p>Resolution of escalated financial disputes.</p> <p><u>Treasurer</u> Authorised to act on the Board's behalf on financial matters when action is required in advance of a Board meeting.</p> <ul style="list-style-type: none"> • Co-authorise funding agreements (as required). • Co-authorise committee reports and annual audit report). • Co-authorise Certificate of Compliance • Recommend annual audited finance report to the membership and/or Board at annual general meeting. <p><u>Secretary</u> Co-authorise funding agreements (as required).</p> <p>Co-authorise Certificate of Compliance</p> <p><u>Cheque Signatories</u> Co-authorise cheques on behalf of the organisation (1 cheque signatory + either CEO/Manager or [insert relevant position].)</p>
Management	<p>Comply with Financial Management Policy.</p> <p>Contribute to development of Financial Management Policy.</p>

	<p><u>Chief Executive Officer/Manager</u></p> <ul style="list-style-type: none"> • Oversee financial management of the organisation. • Co-authorise funding agreements (as required). • Approval to incur expenditure on behalf of the organisation. • Authority to hold business credit card for organisation related expenditure. • Authorise contractual relationships (e.g. consultancy agreement). • Perform responsibilities of Public Officer. • Co-authorise Certificate of Compliance • Co-authorise bank audit request. • Co-authorise management representation letter (annual audit). • <u>Business Manager</u> • Develop monthly financial reporting for CEO and Board. • Review budgets, forecasts and annual audited financial accounts and provide recommendation to Board. • Approval in principle to incur expenditure in CEO/Managers absence. • Authorise Supplier Claim Forms. • Co-authorise cheques on behalf of the organisation • Co-authorise management representation letter. <p><u>Administration Officer</u> Process petty cash expenditure.</p>
Staff	Compliance with Financial Management Policy.

5. Risk Management

AOMI has systems in place to protect finances and ensure financial reporting is accurate.

AOMI provides professional development to Board and staff in financial management practice, including fraud awareness, prevention, detection and investigation.

The organisation undertakes regular reviews of financial systems.

6. Policy Implementation

All staff and Board members are responsible for understanding and adhering to this policy.

Financial management is an integral part of the organisation's operation and its application is reviewed, endorsed and documented on a monthly basis by the Board and relevant staff positions.

This Policy will be reviewed every two years.



William Palmer

CEO

20th September 2020