CONTROL OF FUNDS POLICY

1. Introduction

Action on Poverty (AOP) is an independent, secular, not for profit, non-governmental organisation (NGO). Founded in Australia in 1968, AOP was incorporated in the state of New South Wales in 1983. AOP works with partners and communities in Africa, Asia and the Pacific.

AOP is committed to development sector good practice, and holds full accreditation with the Australian Government through the Department of Foreign Affairs and Trade (DFAT). AOP is a signatory to the Australian Council for International Development (ACFID) Code of Conduct, which requires high standards of corporate governance, public accountability and financial management to be in place.

AOP’s Vision: For all people to transcend the injustice, indignity, and inequality of entrenched poverty.

AOP’s Mission: To empower changemakers to break the cycle of poverty.

2. Purpose

This policy outlines AOP’s commitments to handling all incoming and outgoing funds in a way that is consistent with our legal obligations in Australia and the countries in which we operate, our obligations to the ACFID Code of Conduct, our organisation’s Vision and Mission, and our own internal policy framework.

3. Scope

This policy is for all AOP workplace participants, including staff, volunteers and board members, contractors and consultants engaged or employed by AOP from time to time (together referred to as employees). This policy should be read in conjunction with the:

- Complaints policy
- Conflicts of Interest policy
- Counter Terrorism Financing (CTF) policy
- Forex policy
- Fraud control and corruption prevention policy
- Procurement policy
- Fundraising policy
- Values, Ethics & Corporate Conduct policy
- Welfare, Evangelism & Partisan Politics policy
- Whistleblowing policy
- Staff manual
- Finance manual
- Donations manual

4. Policy

4.1 AOP is committed to handling resources entrusted to it in a transparent, accountable and cost-effective manner, consistent with our obligations under:

- Australian law and the laws of the countries in which we operate;
- the ACFID Code of Conduct;
- AOP’s Vision and Mission;
- AOP’s internal policies and procedures.

4.2 AOP recognises its responsibility for the oversight, control, and management (including risk management) of the funds we receive and spend on overseas aid projects.
4.3 AOP will endeavour to comply with the wishes of the donor. However, AOP must also retain ultimate discretion and control over its own program, and thereby how it spends funds received, so as to ensure that it meets its broader obligations.

4.4 AOP may choose not to accept donations, grants or other funds under certain circumstances, such as if the donation, grant or other funding has been provided:

- by mistake, including to a program that does not exist, or a former partner of AOP;
- with conditions that are incompatible with AOP’s legal, ethical, or existing program obligations;
- with conditions that are incompatible with AOP’s organisational or program strategies;
- by an individual or entity known to be involved in the trade of illicit drugs, weapons or pornography;
- in a manner or by an entity or individual that poses unacceptable risks, including reputational or conflict of interest risks, to the organisation;
- Other reasons at the discretion of AOP.

4.5 Where donated income is in excess of the need of the advertised project or sector, funds will be applied to a project or program of greatest need or that is most closely related to the advertised purpose.

4.6 Funds are only distributed to approved partners, programs or projects that are subject to verified and appropriate control measures for the management and disbursement of funds, and which will ensure that funds are used for the specific purposes for which they have been given.

4.7 Disbursement of funds will be subject to the delegated authority of the AOP Board, the CEO, and the Senior Management team.

4.8 AOP recovers project implementation, fundraising and administration costs from donations. AOP will inform donors of the proportion of donations spent on cost recovery either directly or by way of Annual Reports.

5. Policy Application

5.1 Financial Management is the responsibility of everyone working at AOP, and all AOP personnel are responsible for considering the financial implications of their actions in all their duties. These duties are outlined in AOP’s policies and manuals.

5.2 AOP operates a representative Office in Vietnam (AOP VN), with a country-specific Finance Manual, Admin and Human Resources manual and Finance Guidelines for Implementing Partners manual to guide its processes. These policies and procedures will not contradict or undermine those of AOP Sydney, which is responsible for the management and supervision of its Vietnam Country Office and maintains oversight of the financial management of this office from Sydney.

5.3 AOP maintains a range of partners who have their own financial control policies and procedures. These policies and procedures will not contradict or undermine those of AOP Sydney, which is responsible for the management and supervision of its Vietnam Country Office and maintains oversight of the financial management of the Field Office from Sydney.