# FINANCIAL POLICIES AND PROCEDURES

## SECTION 4: REVENUE & RECEIVABLES

## POLICY 2: SETTING FEES & LEVIES

### Policy Rationale

From time to time, in order to fulfil its strategic objectives and initiatives, [organisation] may charge a fee or levy to its [affiliated] members to supplement [organisation]‘s external revenues or maintain its current level of reserves.

This policy provides guidance over [organisation] ‘s ability to set such fees or levies.

### Policy Statement(s)

[organisation] may set fees / levies where:

1. The setting of fees / levies is deemed essential to the future sustainability of [organisation]
2. There is a specific need or intended application for the fees / levies being set
3. The setting of fees / levies is appropriately documented and in accordance with [organisation]’s constitution / deed / rules

[organisation]’s fees / levies shall be determined as follows:

1. [organisation]’s CFO / Finance Manager will calculate the minimum fee level required to fulfil [organisation]’s strategic objectives and / or maintain [organisation]’s reserves at the current level, and then present this to the Board through the CEO
2. [organisation]’s Audit, Finance & Risk Committee will review this calculation prior to the Board’s consideration of the matter
3. [organisation]’s Board will set the fees / levies for the next year at a level greater than or equal to the minimum fee level calculated by the CFO / Finance Manager (or depending on the organisations constitution / deed / rules, the [organisation]’s Board will recommend the fees / levies for the next year for approval at the Annual General Meeting)

The generation of any fee or levy invoices for [organisation] shall be completed in accordance with [organisation]’s Delegated Authorities and Revenue & Receipting Policy.

### Policy Implementation and Related Procedure Documents

The implementation and review of these Setting Fees & Levies policies are the responsibility of [organisation]’s Audit, Finance & Risk Committee.

[organisation]’s CEO is responsible for presenting any proposed fee or levy calculations to [organisation]’s Audit, Finance & Risk Committee prior to the Board’s consideration of these matters

[organisation]’s Board will establish the level of buffer required to be built into the minimum fees / levies in order to maintain the organisation’s current financial position.

[organisation]’s CFO / Finance Manager is responsible for determining the method under which the minimum fees / levies are calculated as well as performing the calculation. They are also responsible for the systems associated with the invoicing and collection of fee / levy revenue.

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

* + Finance Manual
  + Budgeting & Forecasting Policy
  + Financial Systems & Procedures
  + Revenue & Receipting Policy
  + Receivables Policy
  + Debt Collection & Write-off Policy
  + Reserves & Restricted Funds Policy
  + Tax Policies

### Legislative Compliance Considerations

* + 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]
  + Charitable Trusts Act 1957 [if a charitable trust]
  + Charities Act 2005 [if a Charity]

### Review Protocol

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

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