

1. PURPOSE

- a. To define protocols, roles and responsibilities to ensure good operational control of finance processes that safeguard the assets of NSS.

2. SCOPE

- a. Accounting, Reporting, Statutory Audit and Budgeting
- b. Audit Committee
- c. Control of Income
- d. Control of Expenditure
- e. Control of Assets and Liabilities

3. ACCOUNTING, REPORTING, STATUTORY AUDIT AND BUDGETING

- a. Accounting and Reporting
 - i. The Treasurer/Asst Treasurer shall be responsible for:
 1. Generating monthly financial accounts - income & expenditure, balance sheet, bank reconciliation must be prepared by the Accounts Officer no later than one week before the EXCO/Council Meeting. - Treasurer/Asst Treasurer to review, finalise and present financial highlights during the EXCO/Council Meeting.
 2. Presenting mid-year and full-year financial reviews to EXCO & Council in June and Dec respectively.
 3. Invitation to Audit Committee members to attend any financial reviews.
- b. Statutory Audit
 - i. The Treasurer shall be responsible for:
 1. Engaging the statutory auditor and negotiating fees with the said auditors in advance.
 2. Ensuring that the audit is conducted efficiently.
 3. Ensuring that the annual financial report is presented to the AGM and lodged on time with the authorities.
- c. Budgeting
 - i. The budget chronology will be:
 1. October — EXCO/Council agrees on the strategic objectives for the following year and forwards budget guidelines to Committees (Ctees), Special Interest Groups (SIGs) and Secretariat for submission by a suitable date in November.
 2. November - Treasurer/Asst Treasurer collates, challenges and prepares the

consolidated budget, and presents to EXCO/Council for review and feedback.

3. December — EXCO approves the final budget through a physical meeting with at least two-third (2/3) of EXCO members present or through e-mail with at least two-third (2/3) of EXCO members signifying their approval.

- ii. The Accounts Officer is to compare the budget to the actual financial accounts on a monthly basis. Treasurer shall make recommendations to EXCO for dealing with any significant financial variance that has an impact on financial prudence.

4. AUDIT COMMITTEE

a. Membership

- i. The Audit Committee shall be appointed by the EXCO and shall comprise of one (1) Chair and one or more active members of NSS who are in good standing. The Audit Committee Chair must be selected from within the EXCO.

b. Role and Responsibilities

- i. The Audit Committee facilitates the external and internal audit of the organisation for the EXCO to obtain independent information about the organisation's activities. The Treasurer or Finance Committee Chair should not concurrently chair the Audit Committee. The Audit Committee's responsibilities include the following:
 1. To oversee the financial reporting and disclosure process and monitor the accounting policies and principles.
 2. To review the audit plans and reports of the external auditors and internal auditors and consider the effectiveness of the actions taken by EXCO or Secretariat on the auditors' recommendations.
 3. To conduct periodic internal checks on key processes to ensure compliance with the established procedures, and report to the EXCO on the findings and recommendations for improvements.
 4. To analyse and address the risks that are associated with the key processes.
 5. To oversee regulatory compliance and whistleblower guidelines (where applicable)
 6. To report to the Board of any financial irregularities, concerns and opportunities.
 7. To liaise with auditors on any significant matters arising.

5. CONTROL OF INCOME

a. Collection Control

i. Cash

1. NSS does not collect physical cash.

ii. Cheque

1. All cheques must be crossed and payable to "Nature Society Singapore" and mailed to NSS Office.
2. All cheques must be banked in by the Accounts Officer within 14 days of receipt.

iii. Credit card, PayPal, GIRO, Bank direct credit

1. Payers' credit card, PayPal and bank details must be treated with confidentiality.
2. Paper documents must be kept under lock and key.
3. Softcopy documents must not be stored in publicly accessible locations.

b. Classification and Usage of Income

i. Donations

1. Restricted Donations — The donor restricts use of funds to a specific purpose identified in a written Agreement and may impose a timeframe for expenditure. These donations require separate disclosure in statutory financial accounts.
2. Unrestricted Donations — The donor agrees with NSS on a broad purpose for use of funds and a timeframe for expenditure may be mutually agreed. Any unused funds do not have to be returned to the donor and may be transferred to the General Fund and used for any NSS activity or for funding general NSS operating expenses, as decided by EXCO.

ii. Membership subscriptions

1. Funds received are transferred to the General Fund, and can be used for any NSS activity or for funding general NSS operating expenses, as decided by EXCO.

iii. Income from projects and events

1. Funds received are transferred to the General Fund, and can be used for any NSS activity or for funding general NSS operating expenses, as decided by EXCO.

iv. Investment income

1. Funds received are transferred to the General Fund, and can be used for any NSS activity or for funding general NSS operating expenses, as decided by EXCO.

v. Funds raised by NSS SIG or Ctee

1. If a donation results from the fund-raising actions of an NSS SIG or Ctee then the donation is passed through NSS into the SIG/Ctee's own reserves and

expenditure is subsequently made by the SIG/Ctee, subject to the controls in section (d) above.

2. If the SIG/Ctee fails to spend the donated funds within a reasonable timeframe, the EXCO may require the funds to be returned to the donor (Restricted Donations) or to be re-directed to NSS's General Fund for use in other activities (Unrestricted Donations).
3. In accordance with its status as an Institution of Public Character, NSS may only expend funds on activities that are "exclusively beneficial to the community in Singapore as a whole" [Regulation 3 of the Charities (Institutions of a Public Character) Regulations]. Any expenditure, whether undertaken in Singapore or overseas, must be able to demonstrate a direct benefit to Singapore and Singaporeans.

c. Accountability, Acknowledgement and Administrative Fees

i. Restricted donations

1. Restricted donations will be subject to a written agreement which specifies any required timeframe and/or other conditions of the donation, and the format and frequency of accounting reports to be provided by NSS to the donor. NSS will levy an administrative fee — normally 15% of the donation amount — to cover the internal cost of administering and accounting for such donations. The amount of the fee will be notified to the donor through the written agreement. Any variation in administrative fee will require prior approval from EXCO.

ii. Membership subscriptions

1. Membership subscriptions will be acknowledged by NSS by provision of an email verification.

6. CONTROL OF EXPENDITURES

- a. Expenditure approved by EXCO during the budgeting process does not automatically ensure that an expense will be paid or that a purchase is guaranteed. Additional approvals will be required prior to purchase and prior to payment as circumstances may arise that necessitate financial resources to be reallocated. All purchases should be contracted with or addressed to Nature Society Singapore only.
- b. Purchasing Control
 - i. Expenditure
 1. Required approval procedure before purchasing/incurring
 - ii. Salaries
 1. Hiring of staff, contractors and their salary and benefits are to be approved by EXCO prior to contract signing or at the salary review stage.
 - iii. Local transport and event incidental small expenses and reimbursement claims

1. Transport and event incidental small expenses can be incurred by staff without pre-approval and claimed after the event by submission of all the supporting receipts/invoices provided the following conditions are met:
 - a. Each claim must not exceed \$100 per person per event, otherwise pre-approval will be required as per the approval matrix under Other Types of Expenses below.
 - b. Public transport should be preferentially used; taxis can be used with reasonable justification indicated on the claim form – e.g. need to carry materials to remote locations, need to carry heavy or awkward materials, inclement weather, before or after working hour timings, etc. Taxi-pool should be used as far as practical.
 - c. Personal car usage, petrol, parking fees are not claimable except when expressly approved in advance per approval matrix below if required.
 - d. For Committee and SIG activities, all such claims must first be approved by the respective Committee or SIG Chair, and per approval matrix below if required, prior to submission to Accounts Officer.
 - e. All claims and subsequent approvals are to be done by 2 separate individuals. No self approval for claims is allowed for Staff, Ctees chairs and SIG chairs or EXCO members.
 - f. The claims should be submitted within two months from the date the expense is incurred and anyone having difficulty in meeting this deadline should contact the Accounts Officer via email and provide clarification why submissions are delayed.

iv. All other types of expenses

1. Regardless of whether the expenditure is budgeted or unbudgeted, for a Committee or SIG objective or project, or for a general NSS objective, recurring or one-time, any purchase or contractual commitment must be pre-approved prior to engaging a vendor or partner.
2. The requestor of the purchase is responsible for obtaining the approval as follows:

Purchase amount	Budgeted	Non-budgeted
≤ \$8,000	Executive Director	P/VP and T/S
\$8,000 - \$10,000	P/VP and S/T	Two-third (2/3) EXCO approval
> \$10,000*	Two-third (2/3) EXCO approval	Two-third (2/3) EXCO approval

3. Notes:

- a. Purchases exceeding \$5000 require 3 quotations and should include quantitative and qualitative reasons documented for selecting the vendor or partner.
- b. For recurring purchases of more than \$5000, re-quotations from 3 vendors should be obtained every 3 years to ensure the current vendor remains competitive.
- c. For item purchases of non-standard or non-recurring goods or services, should also follow the 3 quotations principle as far as feasible.
- d. Where less than 3 quotations are obtained due to specific constraints of limited market expertise, time or other reasons, Executive Director should document the reasons for the decision in the decision registry.
- e. EXCO has the express authority to approve any budget including budgets with less than 3 quotations.

c. Payments Control

- i. The Accounts Officer must ensure that the following criteria are met before processing payment:
 1. Invoices and claims have been approved in compliance to Purchasing Control as above.
 2. The requestor has confirmed the goods or services have been delivered and received in good order.
 - a. The payment voucher is accompanied by:
 - i. Original invoice or original claim receipts.
 - ii. Proper purchasing approval (email approval or purchasing approval signed on payment voucher are acceptable)
 - iii. Confirmation by requestor that goods/services have been delivered in good order (signed delivery orders or requestor signature on invoice are acceptable)
 - b. Payment is due (pay on time).
 - c. Invoices are properly addressed to NSS.
 - d. Bank account and budgeted account has sufficient funds.

7. CONTROL OF ASSETS AND LIABILITIES

- a. Bank Accounts

- i. The Accounts Officer is to ensure that all cash kept in the office are held under lock and key.
 - ii. Bank reconciliation is performed by the Accounts Officer on a monthly basis. The Treasurer or Asst Treasurer are to review bank reconciliation before the last date of the following month.
 - iii. All investments are to be approved by two-third (2/3) of EXCO members.
- b. Fixed Assets and Inventories
 - i. Insurance adequacy — The EXCO shall acquire and maintain appropriate insurances to protect NSS property, assets, inventories, staff, officers, members and volunteers during NSS activities.
 - ii. Due to the low-risk nature of NSS's office furniture, equipment and books, brochures and merchandise, annual physical asset and stock count exercises are not performed.
 - iii. Keys to NSS Office are to be held by Secretariat and pre-approved EXCO/Council members only as decided by NSS President, Treasurer or Secretary.

Revisions made by: Huang Ningxin & Joe Lim

Revisions confirmed by: Joel Leong

Revisions approved by: All EXCO 2024/2025