

Financial Management Policy

VicForests is committed to effective financial governance and accountability and to ensuring that reports are timely, complete, accurate and reliable.

Obligation

The Standing Directions of the Minister for Finance (2016) are issued under section 8 of the *Financial Management Act 1994* (FMA) and set the standard for financial management and accountability. They underpin all of VicForests financial activities.

The Directions require VicForests to ensure:

- effective governance and accountability in relation to its financial management, risk management, financial sustainability and financial performance
- the achievement of its statutory functions in a financially efficient and responsible manner
- that the Parliament and the public have confidence in the financial management and long-term financial sustainability of VicForests
- that the information provided to Parliament and the public about the management of finances and resources is clear, accurate and readily understandable.

VicForests financial instructions and processes enable it to:

- meet the Government's requirements for accountability and governance
- provide the Minister and Treasurer with reasonable assurance that VicForests has implemented appropriate systems to comply with the Standing Directions
- certify compliance with the Standing Directions.

Application

This policy applies to all VicForests employees who have responsibility for the initiation, authorisation, approval, processing, reporting or review of financial transactions or matters with financial implications.

Authorisations

VicForests funds may only be committed or expended in accordance with VicForests' financial delegations. Where a financial delegate has a direct or personal interest in a transaction, neither the delegate, nor any other delegate who reports to him or her, can approve that transaction.

Use of funds

VicForests funds must only be expended on goods and services for VicForests purposes. All items purchased using VicForests' funds are the property of VicForests.

Care and use of VicForests property

All users of VicForests' property must treat it with care and consideration, use it for VicForests purposes only and secure it from damage, theft or misappropriation.

Financial records

Proper records relating to financial accounts, risk management, audit requirements, financial reports, annual reports and responses to Ministerial requests for information must be made and kept in accordance with VicForests procedures and business processes.

Integrity

VicForests employees are expected to observe the principles of independence, accuracy and integrity in all financial dealings.

Compliance

VicForests employees are required to comply with this policy and related financial procedures and processes.