



## ESC (SA) Financial Policy

### 1. Purpose of this document

The purpose of this document is to define the Policies and Procedures that will be applied by the relevant Management, Staff and Volunteers of the Emergency Services Chaplaincy of South Africa ESC (SA) in ensuring a financially sound and effectively managed non-profit organisation. (Non-Profit Organisation Number: 006-333 NPO)

### 2. Vision of the ESC (SA)

To be a Ministry of believers who know and worship God through faith in Jesus Christ, committed in seeking to Minister to the Emergency Services, individuals and Communities with the Gospel, reaching people everywhere.

### 3. Mission of the ESC (SA)

- 3.1. The ESC (SA) endeavours to deliver on its vision by engaging volunteers that undergo an ongoing training and development program to equip them to effectively support the emergency services personnel, their families and traumatised victims.
- 3.2. The ESC (SA) will then place these trained individuals (Chaplains) to work in association with specific Fire Stations, Hospitals and other Emergency Services organisations that form part of the Emergency Services Value Chain.
- 3.3. These Chaplains will minister during their free time and using their own resources, wherever the need exists, be it within the Stations, at traumatic incident scenes or in the homes of affected individuals.

### 4. Financial Objectives of the ESC (SA)

The ESC (SA) is a non-profit organisation and the ESC (SA) Chaplains are volunteers who operate using their own resources.

Our Members are finding it increasingly difficult to deliver on this vision due to the economic state of the country and the ever-increasing cost of communications and travel. In addressing this challenge, the ESC (SA) will endeavour to source funds from various legal sources to assist the ESC(SA) and its Chaplains in delivering our vision.

### 5. Sourcing of Funds and resources

- 5.1. The ESC (SA) may source funds and or other resources from any legal interested party without exception.

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- 5.2. Funds or resources may be provided to the ESC (SA) by donors who have stipulated that the funds or resources are for special application, project or some other legal use that is in line with the activities of the ESC (SA).
- 5.3. These stipulations must first be approved by the board before the funds are accepted to ensure proper use, financial management and reporting is applied.
- 5.4. Where recognition of provision of funds or resources are required by the donor this may be permitted within reason and must be approved by the board.
- 5.5. Under normal circumstances such acknowledgement should only be the acknowledgement that the donor supports the activities of the ESC (SA).
- 5.6. Only under special circumstances where the two organisations' missions and vision are aligned, and with explicit approval of the Board may the acknowledgement indicate any support of the ESC (SA) for the funding organisation.
- 5.7. All funds sourced in this manner are to be paid into the ESC (SA) bank account to ensure proper financial management and accountability.

## 6. Application of Funds

Funds and resources generated by the ESC (SA) as defined in section (5) will be applied in the following areas:

- 6.1. Administrative Equipment and Resources e.g. Stationary, Computers and other Necessary Equipment, Communications and Connectivity.
- 6.2. Refunding or paying for basic operational expenses.
- 6.3. Annual Financial and Health & Safety Audit.
- 6.4. Administrative Functionality and or Staff where required.
- 6.5. Training and Training Resources.
- 6.6. Funding for Support Efforts at Emergency Scenes.
- 6.7. Funding and enabling Approved Service Delivery Plans and Projects.

## 7. Salaried Staff

The ESC (SA) may as the organisation grows and the need arises appoint full time staff and managers to manage sections or divisions within the organisation without deviating from the original vision and mission of the organisation.

## 8. Empowering Individuals Chaplains to earn Income

- 8.1. The Emergency Service Chaplaincy is a voluntary organisation and does not have the resources to remunerate its Chaplains like the other Chaplaincies do. E.g. Military, Police, Correctional Services etc. This poses a significant and ever-increasing challenge to our Chaplains.
- 8.2. Facing the difficult financial times experienced within the country and the increasing cost of traveling to support victims of traumatic incidents it has become necessary

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for the ESC(SA) to enable and allow its volunteer Chaplains to find salaried employment or financial support elsewhere.

- 8.3. This is necessary where Chaplains themselves are unemployed due to the economic state in the country and especially in the previously disadvantaged communities.
- 8.4. The Chaplaincy does provide unique training and valuable skills that can enable Chaplains to provide pastoral support services to other organisations and thereby generate income for themselves.
- 8.5. The ESC (SA) cannot prohibit its Chaplains from working and earning income from any source whatsoever. However, for an individual to remain a member of the ESC (SA) the ESC (SA) has provided the following criteria to ensure that no conflict of interest, illegal, corrupt or otherwise unacceptable practices are undertaken by its Chaplains.
- 8.6. Chaplains may work for other organisations within or outside of the Emergency Services either in a full time or Part Time Capacity. If such employment entails working as Chaplains or Pastoral Support, they may with the written approval of the Chaplaincy do so.
- 8.7. Such employment may be as Official ESC (SA) Chaplains on condition ESC (SA) Board Approval has been obtained, or after advising the ESC (SA) management, as Chaplains or Pastoral Support of that specific organisation. Such an individual may still function as an ESC (SA) volunteer Chaplain after hours.
- 8.8. ESC (SA) Chaplains may receive remuneration for conducting any legal work. ESC (SA) Chaplains may also receive remuneration for conducting pastoral services outside of the ESC (SA) including wedding ceremonies, funerals, conferences, counselling, training, trauma support on condition that they are legally permitted to do so etc.

## 9. ESC (SA) Chaplains - prohibited income generating activities

An ESC (SA) Chaplain may not take part in the following activities:

- 9.1. Soliciting funding or donations without the approval of the ESC(SA) Board.
- 9.2. Receive funding or donations of over R500-00 without reporting this to the ESC(SA) Financial Officer for appropriate financial and tax processing.
- 9.3. Work for an organisation that undertakes illegal, dishonest or unsavoury activities that would harm the image of the ESC (SA).
- 9.4. Work for an organisation that operates in direct opposition with the ESC (SA)
- 9.5. Receive commission for providing leads or for recommending Undertakers, Lawyers, Ambulance or other related Services regarding the scenes they attend as ESC(SA) Chaplains.

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## 10. Dealing with prohibited activities

Any ESC(SA)Chaplain that is found to be taking or have taken part in any of the prohibited income generating activities will be dealt with in accordance to the ESC (SA) Chaplaincy disciplinary procedure.

## 11. Financial Management and Controls

### 11.1. The Board

- 11.1.1. The ESC (SA) Board shall ensure that the financial management of the organisation is designed to fulfil the ESC (SA) mission in the most effective and efficient manner possible while remaining accountable to all our stakeholders.
- 11.1.2. We commit to provide accurate and complete financial data for internal and external use.
- 11.1.3. Review financial reports against the approved Budgets at each board meeting.
- 11.1.4. The ESC (SA) shall not borrow funds unless approved at a special general meeting.
- 11.1.5. The Board of Directors must authorize any agreements or contracts that need to be entered into.

### 11.2. The Managing Director shall:

- 11.2.1. The Managing Director is responsible for the day-to-day financial management of the organization and the Board authorizes the Managing Director to pay bills, receive funds, and maintain bank accounts as has been approved by the Board.
- 11.2.2. Appoint a competent accounting officer.
- 11.2.3. Establishing an administrative and regulatory framework within which the Esc (SA) can effectively conduct its affairs and maintain adequate standards of governance, transparency and accountability and to improve these standards creating an environment which will engender trust and support from members, other non-profit organisations, the Chaplaincy Value chain, donors and funders both locally and internationally.
- 11.2.4. The Managing Director is authorized to manage expenses within the parameters of the overall approved budget, reporting to the Board on expected variances and the reason for these variances.
- 11.2.5. Report on the account for funder restricted and project designated funds separately from general operating funds, and clearly define the restrictions applicable to these funds.

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- 11.2.6. Report the financial results of the ESC (SA) operations according to general accepted best practice on a monthly basis.
- 11.2.7. Make no contractual commitment for bank loans, corporate credit cards, or for real estate leases or purchases without specific approval of the Board.
- 11.2.8. Record assets with purchase prices greater than R2000 as capital assets in accounting records. Depreciate capital assets over a period not exceed five years for furniture and equipment or three years for computer and other technology equipment.
- 11.2.9. Obtain competitive bids for items or services wherever practical and make a selection based on cost, service, and other elements of the contract. But, may award the bid to any provider and is not required to accept the lowest cost proposal.

### 11.3. The Budget

The Managing Director shall submit an annual Budget and where practical a three - year plan for Board approval. Monthly financial reports shall be measured against these budgets and where required corrective action taken.

### 11.4. The Accounting Officer

The ESC (SA) shall appoint an accounting officer who shall;

- 11.4.1. In accordance with generally accepted accounting practice keep, accounting records of the ESC(SA) income, expenditure, assets and liabilities including all cash and credit transactions.
- 11.4.2. Draw up financial statements within four (4) months of the financial year-end, which must include an income, and expenditure statement, and a balance sheet reflecting its assets and liabilities. Keep records of account, supporting vouchers, records of subscriptions paid by members, income and expenditure statements, balance sheets and accounting officer's reports, in an electronic form.
- 11.4.3. The Accounting Officer shall provide the financial input section into the NPO Report that is required in accordance with the NPO Act 71 of 1997.

**End**

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