



The Engine Room Foundation
(org nr 999 562 566)

Governance and Financial Policies and Procedures

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Internal Controls, Roles and Responsibilities

The Engine Room Foundation's activities are led by a General Manager, who reports to Tripod, a governing body responsible for managing the week-to-week activities of the Foundation. Tripod reports in turn to the Board of Directors, which meets 4 times a year or more, as necessary to monitor Foundation activities, and approve contracts, hires, budgets and large expenses. The Foundation's small size results in some individuals holding multiple positions in these bodies. As the Foundation grows, the Board of Directors will take steps to create new positions and differentiate between these roles in order to ensure equitable workloads and separation of powers. The Board of Directors will amend these Policies and Procedures to reflect such changes.

Board of Directors

The Board of Directors is the supreme governing body of the Foundation, responsible for the strategic guidance and management of Foundation activities, as described in the Foundation's bylaws. The Foundation is also managed by Tripod and the General Manager, whose tasks and lines of responsibility are described below. The Board of Directors may dissolve, appoint or

replace these and other governing bodies and positions as it deems necessary to further the Foundation's objectives.

The Board of Directors is assigned the following responsibilities, in accordance with the Norwegian Law on Foundations. Ensure a defensible organization of Foundation activities, and to approve budgets for the Foundation's activities. The Board shall also establish and adopt guidelines for Foundation activities.

- Maintain an overview of the Foundation's financial health, assets and expenses, and ensure that Foundation activities, accounting and administration are subject to appropriate internal controls
- Initiate investigations necessary to execute its duties, when requested by more than one Board member
- Monitor the activities and performance of Tripod and the General Manager, and adopting guidelines for the activities and performance of Tripod and the General Manager as appropriate.
- The Chairperson of the Board shall ensure that appropriate matters are addressed by the Board. Other members of the Board and the General Manager may also demand the Board address specific issues.

The Chairperson of the Board is assigned the following responsibilities:

- Establish and present agendas for Board meetings
- Convene and lead a minimum of 4 Board meetings each year.
- Summon members of the Board to the Board's annual meeting before the 30th of March each year.
- Maintain running updates to Board decisions, minutes, protocols and other documents
- Organize the Board's activities in order to ensure full participation of all Board members, and in order to ensure that Board activities are consonant with the Foundation's bylaws and other internal guidelines.

Authority in the Board of Directors:

- The board may represent the Foundation in contracts or other legal and non-legal agreements through the signature of at least two Board members
- The Chairperson is authorized to secure Board insurance, whose expense will be incurred by the Foundation
- In the event that votes in a Board Meeting are equal, the Chairperson's vote will count double
- The Chairperson may not sit on the Boards of organizations or businesses that are customers or clients of the Foundation.

Board Meetings

The Board of Directors will hold regular Board meetings at least four times a year. Regular Board Meetings may be held in-person, or via video conferencing.

The Board may also choose to meet on an ad hoc basis, as is necessary to approve specific activities or to address specific issues. Such ad hoc meetings may be requested by any two board members, and may be conducted held over email, when deemed necessary by the Chairperson of the Board, in accordance with the Norwegian Law on Foundations § 30. Agendas and background materials for ad hoc meetings need not be sent 3 days in advance, as is the case for Regular Board Meetings. Annual budgets shall be addressed and approved in a Regular Board Meeting.

Board meetings require a quorum of 3 Board members. Board meetings are led by the Chairperson of the Board, or another Board member selected by the Board if the Chairperson is not able to lead or participate.

Board meeting agendas will be prepared by the Chairperson of the Board, and will include recommendations from Tripod. Agendas for Regular Board Meetings will be delivered to members of the Board at least 3 days in advance. Members of the Board and the General Manager may add agenda items to the agenda, and require a Board resolution. The General Manager has the right and the obligation to participate in Board meetings, unless the Board has determined otherwise in a specific instance.

On the basis of recommendations from Tripod, the Board of Directors will use its regular and ad hoc meetings to:

- Set the Foundation's strategic direction
- Appoint officers to conduct the Foundation's affairs
- Determine whether specific activities fit with the Foundation's mandate
- Approve annual budgets
- Approve contracts
- Approve payments of over 30.000k
- Produce annual audited reports
- Elect and remove members of the Board and Tripod members

Tripod

Tripod is an administrative body composed of three individuals, who are appointed by the Board of Directors. Tripod is responsible for overseeing the activities of the Foundation, managing and approving some activities, and making recommendations to the Board. Tripod shall meet weekly via video conference unless otherwise arranged. In the case that there is disagreement in Tripod, a simple majority will carry tripod decisions, approvals and recommendations. Tripod responsibilities shall include the following:

- Meet weekly, barring outstanding circumstances
- Review activities of Foundation, staff, consultants, board members and volunteers
- Make strategic recommendations to the board in preparation of each board meeting
- Task individual Tripod members with:
 - managing specific projects, contracts or consultants
 - conducting specific work on a paid basis.

- Approve all payments under 30.000, including
 - payments of invoices and contracts, based on the “green light” recommendation of the individual Tripod member managing that contract, service or consultancy. Such recommendations and approvals may be made by email.
- Make recommendations to the board on all payments over 30.000kr.

General Manager

The General Manager shall have the following responsibilities and authorities, in accordance with the Norwegian Law on Foundations (stiftelsesloven) § 34:

- Shall perform those tasks assigned by the Board and by Tripod, and as outlined in the General Manager’s job description when adopted by the board.
- Ensure that the Foundation’s accounts are kept in accordance with relevant laws and regulations, and that administration of the Foundation’s assets are managed responsibly and in accordance with the Foundation’s mission.
- Provide Tripod and the Board with quarterly reports on the activities, finances and progress on the Foundation’s strategic plan.
- Contract and manage the Foundation’s financial consultants, including auditors and accountants
- Develop relationships, develop projects, manage consultants, projects and workflows as directed by Tripod.

Other positions and officers

The Board of Directors may establish other positions and officers to bear responsibilities and conduct activities on behalf of the Foundation. These policies will be amended and adopted by the Board of Directors in order to reflect the creation or amendment of such positions.

Governance Procedures

Preparation and Documentation of Tripod meetings

The General Manager is responsible for consolidating minutes from Tripod meetings, and circulating them among Tripod members for approval within three days of the meeting. Tripod members shall confirm the minutes prior to or during the following Tripod meeting.

Preparation and Documentation of Board meetings

The General Manager is responsible for gathering background materials and Tripod recommendations in preparation for Board meetings, and presenting them to the Chairperson of the Board.

The Chairperson is responsible for including these materials and recommendations in meeting agendas, and circulating meeting agendas to Members of the Board at least 3 days ahead of

regular scheduled board meetings, in accordance with the Norwegian Law on Foundations (stiftelsesloven) § 31.

Assigning duties, appointing or removing officers, and hiring or removing staff or consultants

Tripod is the body tasked with assigning duties to individual staff members, consultants, or Tripod members, and will reach such decisions in regular Tripod meetings, and with a simple majority in the absence of consensus.

When such decisions require entering into contracts or other agreements on behalf of the Foundation, or the expenditure of payments over NOK 30,000.00, Tripod will forward recommendations to the Board of Directors. The Board of Directors has final authority for approving such contracts and expenditures.

Entering into contracts

The Foundation may enter into contracts, memoranda of understanding, or other agreements, through the signature of at least two members of the Board, or through the signature of the General Manager and one member of the Board. All such contracts must first be approved by the Board of Directors in a regular or ad hoc meeting.

Accounting and Financial Reporting

The Foundation's fiscal year runs from January 1st to December 31st. The Foundation uses the accrual basis of accounting, whereby revenue and expenses are identified with specific periods of time, such as a month or year, and are recorded as incurred. This method of recording revenue and expenses is without regard to date of receipt or payment of cash. Accounting procedures will be the responsibility of the General Manager, or other officer or consultant as appointed by the Board of Directors. The organization prepares regular financial reports on a quarterly basis. All reports are finalized no later than 30 days after the close of the prior month.

Accounting Procedures

- Throughout the fiscal year, expenses are accrued into the month into which they are incurred. The books are closed no later than the second Monday after the close of the month.
- The Foundation's books are closed monthly, no later than the second Monday of the following month. The books will be closed by the General Manager or other appointed officer or consultant, who will review and reconcile bank statements, and present journal entries and bank statements to Tripod for approval on the second Tripod meeting of every month.
- Financial documents and records are maintained by the General Manager, and will be available for review by Foundation staff, or members of Tripod or the Board of Directors at any time, given reasonable notice, and subject to the Foundation's Policy on Privacy, Confidentiality and Document Retention.

- A financial report will be prepared by the General Manager on a quarterly basis, and submitted to Tripod no later than 30 days following the close of the Financial Quarter, and to be reviewed by the Board of Directors in the next Board meeting.
- The Foundation's budget is prepared annually by the General Manager, in consultation with Tripod, and presented to the Board of Directors, together with a recommendation from Tripod, for approval at a Board of Directors meeting, no later than March 30 of each year.

Revenue & Accounts Due

All grants and projects are invoiced according to the terms of the governing contract. Where possible, invoicing will take place each month to capture all billable time and expenses and ensure a regular healthy cash flow for the organization.

Revenue Procedures

- The General Manager gathers relevant expense documentation, prepares all invoices, and submits all invoices on behalf of the Foundation.
- All invoices are submitted digitally. The General Manager is responsible for managing digital records of all invoices and accounts due, as well as digital records of all expense receipts.
- Outstanding invoices are reviewed on a monthly basis and reported to Tripod to determine appropriate action.

Expense & Accounts Payable

Staff and consultant salaries, fees and time records will be dictated in individual contracts, as approved by the Board of Directors. All payments and financial transactions will be executed by the General Manager, after approval by the appropriate body, as determined by the amount.

Expense Procedures

- The General Manager is responsible for executing all payments. All payments will be executed via wire transfer or credit card, unless other means are necessary, and approved by Tripod.
- All payments for services, consultancies, or other labor will be approved by Tripod, based on the recommendation of the Tripod member or staff member responsible for managing that contract.
- The General Manager will share all invoices for products or services with the responsible Tripod member or staff member before executing payment.
- Staff and consultant expenses will be reimbursed if there is prior, written agreement to do so, if reimbursement has been specifically approved by Tripod, if such expenses are documented, and following the submission of an invoice.
- A Foundation credit card will be used to purchase web services, subscriptions and travel and accommodation, when there is a financial or practical advantage to doing so. A credit card is issued in the name of the General Manager.

- All payments over NOK 3,000.00 must be approved by the Board of Directors. Payments under NOK 3,000.00 may be approved by Tripod.
- All payments and expenses will be recorded, including all relevant invoices, purchase orders and receipts of payment, and maintained in a digital archive by the General Manager.
- Monthly salaries shall be paid on the 20th day of every month.

Compensation Policy

Compensation for all staff, consultants, officers, and members of the Board will be determined by the Board of Directors, and specified in contract. Tripod may make recommendations to the Board on the nature, amount and timing of compensation.

Short-term services (contracts for positions of 50% or less, or lasting less than 3 months) shall generally be compensated by a day rate or lump sum. Long-term service (by core staff, for full time positions, or lasting several months) may receive a regularly monthly salary, at a fixed amount in Norwegian Kroner (NOK). Wire transfer costs shall be shared between the payer and the payee. Timing and all other terms of compensation shall be determined by the Board of Directors and specified in Contract.