



HUMAN HABITATS

Write offs

Executive Policy

August 2024

Policy Summary

Policy Name: Project Write offs

Attributable to: Operations & Client Partners

This Policy is to confirm how the business manages write offs for a project and how it is reported back to the executive management team.

Responsibility

It is the responsibility of the Job Manager and Client Manager to maintain, and bill within, the budget of the project.

Where a job goes over budget a Client Manager may recommend a write off and it is at the discretion of the Client Partner to do so.

Invoice Write-offs

Rationale

Where a job goes over budget, funds may need to be written off from a project. This could be due to known budget constraints, a poorly prepared fee proposal, learning opportunities, over servicing, as part of maintaining a client relationship, or poor staff performance.

In all cases other than poor performance, task write-offs are required to be shared by those contributing to any particular task.

Responsibility

Only a Client Partner can make the decision on how a write off is to be handled on a job however there may be a recommendation from a Client Manager. Any considerable timesheet write off must be directly communicated to the affected staff member/s.

Individual Write-offs

For specifically poor performance, write offs can be attributed to an individual staff member at a Client Partners discretion.

Where an individual staff member's time is written off, they must be addressed by the Client Partner prior to finalisation of any invoice.

Discretion

Write-off discretion lies with the Client Partner only. This discretion is only up to 20% of the amount of any monthly invoice amount on a project.



Any write-off amounts larger than this will need to be highlighted with the CEO and approval received *prior* to an invoice being approved. This is inclusive of write offs done as part of an invoice or for write-off only invoices or final invoices to close out a job.

Invoice Write-off Process

There are 2 instances for time to be written off on a project.

1. An overall reduction in invoice amount via a fixed fee reduction for the time being billed on a job.
2. Specific write-off of an individual's timesheet entries.

Consult operations team to understand invoicing process for each.

Reporting

The CEO/Office Manager will report all significant write-offs attributable to a specific invoice, job or individual at the Executive Management Meeting.

Reporting will focus on both Project and Individual write-offs.

PD Targets

All PD targets have an individual's write-off level at >10% as not being satisfactory performance
