



Risk Management Financial Procedures

Review Date: 18/05/2018

Introduction

The Management Committee is responsible for the sustainability of the service.

In order to serve members it is necessary to identify, minimise and manage financial risks.

Goals – What are we going to do?

Evans Head Preschool Association Inc. is committed to ensuring financial accountability and transparency.

Strategies – How will it be done?

The Approved Provider will:

- ▶ Oversee the financial records (Profit and Loss Statement) and Budget at each Management Committee meeting developed by the Director and Administration/Finance Officer.
- ▶ Oversee strategic planning to ensure the service's sustainability into the future through strong enrolments, monitoring of fees and strong fiscal management.
- ▶ Oversee any major capital spending.
- ▶ Approve and oversee fundraising opportunities.
- ▶ Nominate three signatories who, along with the Director, make up a pool of 4 signatories for bank transactions where dual signatures are required.
- ▶ Declare any conflict of interest and withdraw from discussion or voting on decision-making around awarding tenders, recruitment, significant purchases or other financial matters.
- ▶ Follow our Constitution, Association Incorporation Act, manage risk and maintain transparency.

- ▶ Ensure confidentiality around all financial and personal records/details as per Governance Policy.
- ▶ Order an Annual Financial Audit and inform DEC of the outcome.

The Nominated Supervisor will:

- ▶ Advise the Management Committee of matters to assist their decision making.
- ▶ Seek quotations for capital works as per Management Committee requests.
- ▶ Declare any conflict of interest and refrain from discussion pertaining to any related issues
- ▶ Seek approval for any repairs, major capital works or purchases over \$3,000.
- ▶ Liaise with the Finance/Administration Officer to fully understand Profit and Loss Statements and budget documents so as to advise the Management Committee so that they can make informed decisions to protect the sustainability of the service and ensure value for all stakeholders.
- ▶ Keep all receipts/invoices for reconciliation purposes.
- ▶ Ensure procedures are followed in relation to credit cards, cash tins, fundraising, banking transactions, fee collection, purchases and any other financial activity.
- ▶ Report any financial anomalies immediately to the Approved Provider and if warranted have a confidential investigation.

The Finance/Administration Officer will:

- ▶ In liaison with the Nominated Supervisor, develop, monitor and present financial records and budgets at Management Committee meetings.
- ▶ Perform day to day financial tasks such as bank reconciliations, lodging BAS statements and other regulatory and legal financial obligations as per job description.
- ▶ In liaison with the Nominated Supervisor, monitor fee collection and debt collection.
- ▶ While the Administration/Finance Officer is not a bank signatory, he/she will have "ready only" access in order to perform his/her role effectively.
- ▶ Report any financial anomalies or concerns immediately to the Nominated Supervisor for investigation.
- ▶ Oversee the audit process and take the report to the AGM.

Educators will:

- ▶ Pass all fees, fundraising money and other funds immediately to the Nominated Supervisor, Administration/Finance Officer or Certified Supervisor for receipting.
- ▶ When assisting with fundraising, etc. follow procedures around handling money and credit cards to ensure transparency and accountability.
- ▶ Report any concerns around financial matters to a supervisor for investigation.
- ▶ Have any proposed purchases approved by the Management Committee or Nominated Supervisor prior to expenditure. Then return any receipts to the Administration/Finance Officer or Nominated Supervisor for reimbursement or reconciliation.

Parents, Students and Volunteers will:

- ▶ Follow policies and procedures when assisting with fundraising to ensure transparency and accountability.
- ▶ Students and volunteers should not take any fees, fundraising money, excursion payment from families, but should instead direct the parent to the Nominated Supervisor, Certified Supervisor or Administration/Finance Officer.

SPECIFIC FINANCIAL PROCEDURES

Bank Transactions

Are to be set up by the Administration/Finance Officer and then 2 signatories will:

- (a) Check the details of the transaction and ask questions. For example, if they are unsure of the purpose, amount or recipient.
- (b) If they understand the details of the transaction, they will approve the batch or sign the cheque.
- (c) The signatory will inform the Administration/Finance Officer or Nominated Supervisor when they have completed their part in the task to ensure the processed batch is cleared from the queue.

Cash Tin

- The cash tin is to be cleared weekly unless the takings have been minimal.
- The float is \$100 for the Evans Head centre and \$50 for the Woodburn centre for day to day operations.
- Cash tins are to be locked and stored away from the keys at all times.
- Only the Administration/Finance Officer or the Responsible Person for the day is to receipt money, membership fees, fundraising or Early Bird fees.
- Transactions under \$20 are to be receipted in the Payment Register. Fees and transactions over \$20 are to be receipted.
- Cash on the premises is limited to \$5,000 according to our insurance cover.

Fundraising

- (a) Where practical, a member of the Management Committee will handle cash and will hand over the responsibility at the end of their shift to another Management Committee member.
- (b) If a Management Committee member is not present, a staff member will handle cash unless neither is present.
- (c) Two people are required to count the float at the commencement of the event and to sign the Fundraising Sheet. This process is repeated at the conclusion of the event with 2 people counting and signing the same sheet for return ASAP to preschool or the Nominated Supervisor with the proceeds of the day.
- (d) The proceeds of the day will be reported back to all stakeholders.

Related Policies

- ▶ Payment of Fees Policy
- ▶ Fee Collection Procedure
- ▶ Governance and Management Policy

Budget

- (a) The budget is a living document which is monitored by the Director and the Administration/Finance Officer and adjusted according to need.
- (b) The Management Committee oversee the budget at their regular meetings to ensure service sustainability.
- (c) As a not for profit organisation, profits are put back into the service to benefit our children and to maintain the building and resources to a high standard and to provide quality staffing and learning programs.

Fee Collection

See Policy and Procedure.

Adopted by the Management Committee

Signed by: Naomi Simpson, President

Date: 18/05/2016

REVIEW DATE: 18/05/2018