



JUMBUNNA COMMUNITY PRESCHOOL AND EARLY INTERVENTION CENTRE INC.

St 6b	FINANCIAL MANAGEMENT
-------	----------------------

Applies to:	Version:
Specific responsibility:	Date approved: 5 Aug 2014

Policy context: This policy relates to	
Standards or other external requirements	NDIS Practice Standards
Legislation or other requirements	Disability Services Act
Contractual obligations	National Disability Insurance Agency

POLICY STATEMENT

Jumbunna is required by Department of Fair Trading to keep proper financial records and ensure financial probity.

Jumbunna is committed to effective management of the organisation's finances, the prevention of fraud or mismanagement of its funds and accountability to our members for the use of organisational funds and to funding bodies or donors for the funds they have provided.

Jumbunna will:

- maintain appropriate records of financial transactions and accounts that comply with the Australian Accounting Standards
- implement a system of approvals for financial transactions
- document delegations of authority for approving financial expenditure
- ensure safeguards are in place to prevent fraud and financial mismanagement
- provide staff who are responsible for bookkeeping and financial management with relevant documented financial procedures.

PROCEDURES

Bank accounts

Jumbunna maintains suitable types of banking accounts at local banking establishments.

The Management Committee must approve the opening and closing of any bank account and the investment of funds.

A transfer of funds between any two Jumbunna accounts will require the approval of at least two signatories.

Maintaining appropriate records

Financial records will be kept according to Australian Accounting Standards.

Financial records will be maintained in the following manner:

- Transactions will be recorded electronically by the Administration Coordinator using accounting software.

- Electronic entry of transactions will be done by Administration Coordinator
- Accounts will be reconciled monthly by Administration Coordinator
- Jumbunna uses the Standard Chart of Accounts
- Hard copy primary records will be maintained by the Administration Coordinator
- Financial records will be archived for a period of 7 years.

Processing transactions

All accounts will be dealt with promptly and within specified time frames.

Accounts Receivable:

The Administration Coordinator will manage all accounts receivable and:

- send out invoices on a monthly basis
- process payments received and bank deposits
- maintain documentation.

Accounts Payable:

The Administration Coordinator will manage all accounts payable and:

- ensure all purchases have the necessary approval before processing
- process payments to creditors either by cheque or electronic funds transfer (EFT)
- issue a remittance advice to a creditor when an EFT payment is made

Approvals and delegations

All expenditure must be approved by the appropriate delegated person. Delegations of authority for expenditure are set by the Management Committee.

- The Management Committee approves the annual budget which sets the parameters for annual expenditure.
- Expenditure within budget for daily requisitions requires authorisation by the General Manager.
- Any item of expenditure that is a budget overspend requires authorisation by Management Committee.

All cheques must be signed by any two of the people who are delegated to authorise the payment.

Approval must be gained from delegated authority before use of Jumbunna Business Credit Card.

All EFT payments must be authorised by any two of the people who are delegated to authorise the payment.

Preventing fraud and financial mismanagement

Financial management security is maintained through:

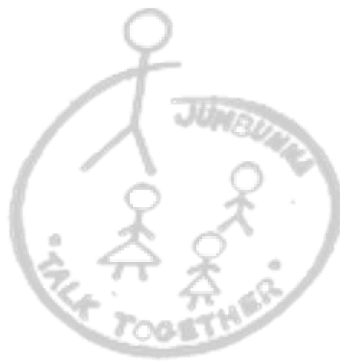
- Procedures for obtaining and documenting approval for expenditure including Credit Card.
- The receipting and reconciling of all money received by the organisation with banking records.
- Monitoring and checking of accounts and bank reconciliations by the Treasurer.
- A monthly finance report to the General Manager.

- A monthly finance report to Management Committee
- Monitoring of the budget by the General Manager and the Management Committee/ and Accountants

Providing documented procedures

The following procedures will be documented in detail

- Money handling procedures for staff collecting or processing money (receipting, banking, reconciling).
- Bookkeeping instructions for staff entering financial transactions into the accounts.
- Petty cash procedures for all staff using petty cash.
- Monthly monitoring and checking procedures.



DOCUMENTATION

Documents related to this policy	
Related policies	
Forms, record keeping or other organisational documents	

Policy Name:	Financial Management	Policy Number:	
Date Approved:	24 August 2023	Approved By:	Board of Management
Date Issued:	31 August 2023	Review Date:	30 June 2025
Version 1.5	This version of the policy was approved 24 August 2023 and replaces the version approved 28 July 2022.		