



U3A-ACT Policy No PO20142

Financial Commitments and Payments Policy	
Publication date: 1 May 2018	Applies to: All members
Responsible person: Treasurer	Scheduled review date: Every three years as approved by the Committee
Approved by: Committee Meeting on 9 April 2018	Author: Treasurer

RATIONALE

The committee has adopted By-law BL20141 for Financial Commitments and payments.

This policy and the associated by-law are primarily designed to ensure that:

- good governance processes are in place across the organisation;
- decisions to commit expenditure are made at the appropriate level and with the proper authorisation;
- accountability measures for financial commitments are in place; and
- payments are made in an appropriate manner.

They are also designed to mitigate against fraud.

The Tours and Related Activities Policy (PR20142) should be read in conjunction with this policy.

DEFINITIONS.

Commitment: The act of promising to pay money on behalf of the association. Once a commitment is made, payment has to follow.

Payment: The act of transferring U3A-ACT Inc. funds to another party.

This policy has three attachments.

Attachment A. List of positions and members who have the authority to make financial commitments and payments on behalf of the association.

Attachment B. List of regular suppliers to whom the Treasurer is authorised to make payments throughout the year as they become due. (Available to members only upon request to the Secretary)

Attachment C. Form for claiming reimbursement of expenditure

POLICY

1. *This section relates to all commitments and payments from the U3A-ACT Inc. Main Account*

1.1. Commitment of expenditure

1.1.1. A member may only make a financial commitment on behalf of the association if they are authorised to do so by:

- 1.1.1.1. the Rules;
- 1.1.1.2. the requirements of their role;
- 1.1.1.3. a decision of the committee; or
- 1.1.1.4. any relevant existing policy.

1.2. At its first meeting of the calendar year the committee must endorse a list of members who have the authority to make financial commitments and payments on behalf of the association, and the limits of that authority (Attachment A)

1.3. The committee may make additions or deletions to the list at any other time during the year as appropriate.

1.4. A person making a financial commitment must be sure that the decision to commit U3A-ACT Inc. funds is an appropriate one in all the circumstances.

1.5. Financial commitments above \$2000 can only be authorised by a decision of the committee.

1.6. The committee may also authorise other commitments under that limit.

2. Payments

2.1. A member may make a payment on behalf of the association if they are authorised to do so by:

- 2.1.1. the Rules; and
- 2.1.2. a decision of the committee under this procedure; or
- 2.1.3. any relevant existing policy.

2.2. At its first meeting of the year the committee will:

- 2.2.1. confirm a list of members who have authority to make payments on behalf of the association, including through the use of credit cards (Attachment A); and
- 2.2.2. authorise a list of contractors and suppliers to whom the Treasurer has automatic approval to make payments as they become due throughout the year (Attachment B).

2.2.3. The committee may make additions or deletions to the lists at (a) and (b) of this section at any other time during the year as appropriate.

- 2.3. When a commitment has been made for U3A-ACT Inc monies, payments can be made in one of three ways.
- 2.3.1. Receipts for expenditure can be presented to the Treasurer for payment by reimbursement.
- 2.3.1.1. Reimbursement claims must indicate who has approved the commitment.
- 2.3.1.2. A person may not be both the authoriser and the claimant for any expenses claim.
- 2.3.2. Invoices for expenditure can be provided to the Treasurer for payment.
- 2.3.3. The payment can be made by a member authorised to make payments in Attachment A.
- 2.4. In all cases where a person has made a commitment for U3A-ACT Inc monies they must sign that the services or goods have been received before payment is made.
- 2.5. If a reimbursement is sought where there has been no pre-approval, the Treasurer and one other office holder may if they wish approve the payment without reference to the committee if the payment is for an amount under \$500 and would otherwise be consistent with all U3A policies and requirements.
- 2.6. Members who have the authority to make payments on behalf of the association can do so using one or more of the following methods as set out in Attachment A.
- 2.6.1. Electronic transfer of funds (EFT) - the preferred method.
- 2.6.2. Cheque - cheques may not be made out to cash.
- 2.6.3. Credit card.
- 2.6.4. Direct debit.
- 2.6.5. Cash.
- 2.7. In the case of an emergency, commitments and payments may be made with the authority of a majority of office holders of the association, namely three out of five of the President, Secretary, Treasurer and the two Vice Presidents.
- 2.7.1. This authority may be provided by email if appropriate.
- 2.8. Claims for reasonable out-of-pocket expenses incurred by members in the course of providing voluntary services to the association (under Section 16(2) of the Rules) and payable from the operating account may be authorised by the relevant delegate up to \$150 in any one financial year against appropriate documentation. Amounts which bring a member's claims for reasonable expenses to an amount of \$150 or above in any one financial year may only be approved by the Committee against appropriate documentation (see also 3.3 below).

3. This section relates to all commitments and payments from the U3A-ACT Inc Tours Account

- 3.1. The Tours Officer and the Assistant Tours Officer are authorised to make commitments and payments as set out in Attachment A relating to U3A-ACT Inc

monies held in the Tours Account as outlined in the Tours and Related Activities Policy (PO20142)

3.2. Individual tours and related activities are required to operate from a financial basis that aims to be at least break-even.

3.3. Claims for reasonable out-of-pocket expenses incurred by members in the course of providing voluntary services to the association (under Section 16(2) of the Rules) and payable from the tours account may be authorised by the relevant delegate against appropriate documentation.

4. Petty cash

4.1. Petty cash is held in each of the U3A-ACT Inc. offices to a maximum of \$100 and can be topped up upon request to the Treasurer from an Office Manager.

4.1.1. Petty cash is accessed by request to an Office Manager.

4.1.2. Receipts for payments from Petty Cash are held and filed by the relevant Office Manager.

5. Incoming payments to all accounts

5.1. U3A prefers to receive payments from members and others by electronic means, although other methods of payment are acceptable. The methods of payments to U3A are in order of preference:

5.1.1. EftPos available at both our offices (equal first preference)

5.1.2. Electronic transfer of funds (EFT) (equal first preference)

5.1.3. Cheque - cheques may not be made out to cash; and

5.1.4. Cash

6. Accountability

6.1. Members who are authorised to make payments from any U3A-ACT Inc accounts are accountable for that payment.

6.1.1. They will provide a statement of the payments made, including from the tours account, for the month to the Treasurer one week prior to each scheduled committee meeting.

6.2. The Treasurer will use that information to develop a report for the upcoming committee meeting so that all payments made, can be ratified in line with Rule 21 (6).

RELATED DOCUMENTS

Australian Capital Territory Associations Incorporation Act 1991
<http://www.legislation.act.gov.au/a/1991-46/default.asp>

The Objects and Rules of U3A-ACT.Inc.

By-law BL2041 for Financial Commitments and Payments.

Tours and Related Activities Policy



EXPENSES CLAIM FORM

ATTACHMENT C

Invoice No
Cheque/transaction No:
Date

Office use only

Name: _____ Member No _____

Postal Address _____

Bank details for EFT payment:

Name of account _____
BSB _____ Account Number _____

Claim details

Please itemise expenses and attach receipts for any purchases

Approved Expense	Amount claimed
TOTAL	\$

NOTE U3A-ACT Inc. has provision to pay phone and car expenses. However, it is expected that a claim would not be made for routine use. All claims need pre-approval from a delegated member. (Car expenses are paid at 15c/km up to 2 litres, 18c/km over 2 litre; phone calls are paid at 22c for local calls)

Signature: _____ **Date:** _____

Delegated person approving these expenses or date of committee meeting at which expenses were approved:

Committee meeting date (if appropriate) _____

Authoriser's Name (Please Print) _____

Authoriser's Signature _____

Processed by: _____ **Date:** _____

Please submit this form to the Treasurer by email: treasurer@u3acanberra.org.au
Alternately you may submit this form to the Office Manager at Hughes or Cook, or deposit into the Treasurer's drop file in the Hughes office for processing