



Central Highlands Association of Neighbourhood Houses

Financial Management Policy

Document Control

Policy Title:	Financial Management		
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Date Ratified:	May 23, 2019	Review Date:	May 2021

Relevant standards, legislation and other documents:

- Incorporations Act
- Victorian Human Rights Charter
- DHHS Service Agreement Information Kit
- NHACE Agreement

Definitions: (define key terms)	
CHANH	Central Highlands Association of Neighbourhood Houses
DHHS	Department of Health and Human Services
Members	Neighbourhood Houses (represented by managers and committees of management) funded by DHHS within the Central Highlands area
CoM	Individuals representing member houses in CHANH Committee of Management
Staff	Any person employed by CHANH or volunteering at CHANH
Executive Team	CHANH President, Vice President, Treasurer and Secretary

Central Highlands Association of Neighbourhood Houses

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Policy Declaration

CHANH is committed to managing our finances in a clear, accountable and efficient manner to ensure the funds are appropriately expended, accounts are promptly resolved and fiduciary duty is maintained.

Purpose:

This policy defines key arrangements to ensure CHANH finances are appropriately managed and expended.

Owner:

This policy is the responsibility of the Executive Team and must be ratified by the CoM.

Application:

This policy specifically applies to the Treasurer and Bookkeeper, as well as to any staff or members responsible for the handling of CHANH finances.

Policy Rationale

Under the Incorporations Act, CHANH is required to manage its finances in a sound and transparent manner. The management of the finances will be overseen by the Treasurer, with the support of the executive committee, in accordance with regulative legislative requirements.

Procedures

Budget

An annual budget, aligned to the delivery of the annual plan, will be set for the forthcoming year one month prior to the end of each financial year by the executive committee, by review of previous years' expenses and in consultation with member representatives.

- Expenditure of CHCHN funds will be in accordance to the Annual Budget
- Expenditure of CHCHN funds will be monitored via the CHCHN Executive Committee
- Any expenditure outside of the budget requires approval via the CHCHN Executive Committee
- A report on the Budget will be presented to the CHCHN Representative Committee

Policy considerations for budget setting include:

- Executive Requirement and Reimbursement Policy
- Conference and Training Subsidy Policy
- Employee Accommodation and Safe Workplace Policy
- Travel Policy

Consideration should also be made for staff by reviewing NHACE Agreement.

Bookkeeper

CHANH appoints a qualified Bookkeeper to ensure all transactions are managed and accounted for in line with Australian Tax Office requirements.

Financial Authorisation

CHANH maintains an account with Bendigo Bank. CHANH requires a minimum of four Authorised Officers to be registered as signatories against the CHANH bank account. These may be:

- President
- Treasurer
- Vice President
- Secretary
- Bookkeeper

Two Authorised Officers are appointed as Approval Officers, who will normally complete financial approvals for expenditure against the account. As a general rule, this can be the Bookkeeper and the Treasurer.

Following the AGM any Executive Team members who have resigned office will be removed as signatory to the CHANH bank account and any new appointees will complete and submit paperwork to become a signatory.

Other than the positions listed above, CHANH staff cannot be appointed as a signatory the CHANH bank account, but may be allocated account viewing rights at the discretion of the Executive Team, to assist with monitoring of expenditure.

Purchasing Practice

All purchasing arrangements for CHANH will be managed by the CHANH Networker, in accordance with the CHANH Expenditure Policy. The following procedures form standard financial management practice:

- Networker is responsible to approve payment of invoices for payment processing
- Approved invoices are forwarded to Bookkeeper and Approval Officers for payment processing

- Bookkeeper will enter transactions into MYOB and CHANH bank account.
- Approval Officers will approve payment for transaction from CHANH Bank Account.

Reporting

Financial Reports will be presented at Executive Meeting and CHANH Committee of Management Meetings. The Financial Reports will include:

- Balance Sheet
- Profit and Loss Statement
- Bank Account Reconciliation Report
- Bank Statement

Related Organisational Policies and Procedures:

- Financial Management Policy
- Executive Requirement and Reimbursement Policy
- Conference and Training Subsidy Policy
- Employee Accommodation and Safe Workplace Policy
- Travel Policy

Responsibilities

Executive Team:

- To implement and monitor policy

Members:

- To be aware of policy and follow as required
- To participate in policy reviews as required

Staff:

- Implementation of policy
- Participation in policy review as required

Breach of Policy

A breach of this policy may result in disciplinary action up to and including termination of employment.

