

People With Disabilities ACT Inc
(PWD ACT)

Policy and Procedures Manual
Part 4 – Administration

March 2008

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1 Budget development and management

1.1 Budget policy

The Board is responsible for overseeing the budget of the organisation and for ensuring that the organisation operates within a responsible, sustainable financial framework.

In line with this responsibility, the Board conducts a budget planning process each year as part of annual business planning. In addition the operating budget is regularly monitored and reviewed to ensure that there is adequate cash flow to conduct the organisation's business. The Treasurer is responsible for preparing all budgets and reviewing budgets in consultation with the President and the EO.

1.2 Budget procedure

Preparing and endorsing the budget

- In April each year, the Treasurer prepares the initial budget estimates as part of the business planning process. The estimates take account of projected operational costs, payroll costs and income.
- The initial budget estimates are based on the current expenditure projections to end of year plus Consumer Price Increments for salaries or relevant wage increases, revisions to awards/contracts, and a 10 per cent increase on operating expenses such as power, telephones, etc. Details on how cost increases will be absorbed or lead to increases in charges (eg membership fees) will be provided.
- The Treasurer presents the draft budget for discussion at the May Board meeting. A detailed report denoting reasons for decisions should be attached to the draft budget for discussion. The Board may accept the estimates as presented or may request variations, within the context of the business plan.
- Once it has been accepted by the Board, this becomes the official operating budget for the following financial year, and all Board members and employees must work within the financial limits stated or implied by this document.

Monitoring and reviewing the Budget

The Treasurer is responsible for monitoring the organisation's expenditure, reviewing the actual and budgeted expenditures, and reporting on the progress of such expenditure as follows:

- Financial reports will be prepared each month showing the year-to-date expenditure and its variation from the budget estimates, and indicating any increases or decreases in funding.
- A detailed commentary should be attached to Board reports detailing reasons for variations and recommendations for corrective action if that is required.
- The Treasurer will indicate what effect any variations will have on the budget projections and provide this information to the Board and the EO. The Treasurer will also report on any other financial matters that may be related to the business plan.

Once adopted by the Board, the amended budget will become the new operating budget for the remainder of that financial year.

2 Financial administration procedures

2.1 Receipting and banking of revenue

PWD may receive revenue from number of sources including government grants, subscriptions from members, donations and sponsorship. There is one operating bank account into which all revenue is banked.

When any Board member receives revenue on behalf of the organisation, they will provide it to the Executive Officer. The EO will provide a sequentially numbered receipt for all revenue received. The Treasurer is then responsible for banking the revenue if it is not directly deposited into the PWD ACT bank account.

Responsibilities of the EO

The EO will check the receipts for the following:

- the cash receipt is consistent with any relevant documentation such as membership fees against the Constitution or grant funding against the offer of grant funding;
- complete the transactions details on the accounts receivable cover sheet including correct coding against the type of receipt and the grant program;
- advise the Treasurer that there is cash or cheques to be banked.

The EO will also check monthly that all cash receipts recorded in the receipt book have been banked by the Treasurer.

Responsibilities of the Treasurer

The Treasurer will:

- check the receipt book for cash receipts to be banked;
- check coding is correct on accounts receivable cover sheet; and
- bank the cash receipts promptly.

2.2 Filing and retention of invoices and cover sheets

The following procedures apply.

- Upon completion of receipting and banking, the EO files the disbursement advice and cover sheets prior to collection by the bookkeeper who input them into PWD's general ledger.
- Upon return from the Bookkeeper, the EO files all disbursement advices in date order by the Executive Officer and they are retained for the annual audit.
- On completion of the annual audit, the disbursement advices are archived for seven years.

2.3 Grant management

PWD ACT can receive grants from the ACT and/or Commonwealth governments. Such grants will come with a Service Level Agreement or contract which will specify reporting and acquittal arrangements. The EO is responsible for setting up the necessary processes to ensure that all required reports are collated, approved by the Board and provided to the funding bodies on time.

2.4 Management of petty cash

Use of petty cash

The petty cash float for PWD ACT is \$60. It is to be kept in a secure place in a locked cash box. Keys to the cash box will be held by the EO and by the Treasurer. The EO is authorised to expend up to \$20 per transaction. Expenditure greater than \$20 in one transaction requires the approval of the Treasurer or the President.

Documenting petty cash usage

Each time a payment is made from the petty cash box, the following needs to be recorded:

- date of the payment;
- details of exactly what the payment was for;
- the amount paid out;
- the signature of the member of staff who was given the cash;
- the signature of the authorizing person if the amount is over \$20; and
- a reference number (ideally you should give the vouchers sequential reference numbers).

A petty cash voucher may be used and to minimise the risk of fraud, petty cash vouchers/record should not be completed in pencil.

Once a payment has been made it is essential to keep the supporting receipt or invoice. The best thing to do is to staple them to the completed authorized petty cash voucher. Keep completed petty cash vouchers, together with the supporting receipt or invoice in the petty cash box.

The EO is responsible for ensuring that

- Vouchers or other supporting documentation and receipts are kept;
- The cash is regularly counted and the balance reconciled with the petty cash records;
- Any cash income received is kept separately in an income cash box and not mixed with petty cash. Cash income should be counted, recorded and reconciled on a daily basis with its own independent record.

The Treasurer is responsible for checking on a regular basis that petty cash is being correctly used and accounted for.

2.5 Reimbursement of expenses

PWD ACT will reimburse staff (including volunteers) any authorised expenses incurred by them on behalf of PWD ACT or in the course of PWD ACT business. People incurring authorised expenditure must present all relevant original receipts, invoices, vouchers, tickets, or other evidence of such expenditure when seeking reimbursement. Where such evidence is for any reason lacking statutory declarations may be sought.

2.6 Expenditure committal

The Board is responsible for approving payments prior to PWD ACT being committed to those payments. Expenses must be in accordance with the objectives of PWD ACT as stated in its Constitution. Expenses include newsletter costs, maintenance of the web site,

contractors and administration. Wages expenses are covered in Chapter 4.

2.7 Payment of accounts

PWD's policy is that payment of accounts should be made by internet banking wherever possible. Where the creditor will not accept payment by internet banking a PWD cheque is raised and such payments are to be checked in the same manner as internet payments except that the cheque signatories are the Treasurer and the SHOUT Officer Co-ordinator.

Cheque signatories

All cheques must contain two eligible signatures. The Board has endorsed X and Y and Z as eligible signatories. Signatories cannot sign a cheque made payable to themselves. A list of all cheques issued each month will be provided to the Treasurer.

Responsibilities of the EO

On receipt of an invoice, the EO is responsible for processing the first stages of payment of accounts. This involves:

- checking that the invoice is consistent with any quotes received prior to entering into the commitment and the amount and service approved by the Board;
- completing the transactions details on the accounts payable cover sheet including correct coding against the type of payment and the grant program;
- entering the details into internet banking scheduling payment in accordance with the terms of the invoice;
- advising the Treasurer, as second signatory on the bank account, that payments are ready for processing.

Responsibilities of the Treasurer

The Treasurer will check payments scheduled for internet banking as follows:

- ensure that the payment has been approved by the Board;
- ensure the payment amount for internet banking matches the invoiced amount;
- check the coding details are correct; and if all details are correct
- process the account for payment out of PWD bank account.

2.8 Filing and retention of invoices and cover sheets

The following procedures apply:

- Upon completion of a payment, the EO files the invoices and cover sheets prior to collection by the bookkeeper who records them in PWD ACT's general ledger.
- When returned from the bookkeeper, all invoices are filed in date order by the Executive Officer and retained for the annual audit.
- On completion of the annual audit, the invoices are archived for seven years.

2.9 Payroll management

PWD staff are employed under the Social and Community Services (ACT) Award 2001. This Award is a preserved award under Workchoices (Code AP808334).

Salary setting and payment arrangements

After the Board has appointed a new employee the approved net pay and superannuation contribution will be calculated by the Treasurer and created as a periodic fortnightly payment from the PWD ACT main bank account.

Payment of wages

The gross pay will be in accordance with the Award and also subject to the Australian Pay and Commission Scale as a result of the Workplace Relations Act 2006.

Superannuation

The Executive Officer receives a 9% contribution of gross annual pay to Hesta as a superannuation contribution as required by the Award.

Leave liabilities

Annual leave, sick leave and long service leave entitlements will accrue as required by the Award and Workchoices. The Treasurer will calculate leave liabilities on a monthly basis and maintain a record of leave entitlements, including leave taken. The value of leave liabilities will be included in the Treasurer's monthly report to the Board

Payroll records

Good practice and Workplaces Relations Regulations 2006 require certain records to be maintained. The Executive Officer will maintain a wages register and the Treasurer will check the register on a fortnightly basis prior to the periodic payments being processed against PWD bank account. The wages register will record:

- the hours worked including any overtime;
- normal gross pay;
- overtime (if worked) in gross pay;
- total gross pay;
- deductions, including PAYG tax;
- net pay; and cumulative total.

This wages register will also serve as a pay slip as required under Workchoices.

3 Fraud Control

3.1 Fraud control responsibilities

The Board of PWD ACT has ultimate responsibility for the prevention and detection of fraud and is responsible for ensuring that appropriate and effective internal control systems are in place. However staff share in the responsibility for the prevention and detection of fraud in their areas of responsibility. All staff have the responsibility to report suspected fraud to their supervisor.

3.2 Fraud control activities

- Fraud prevention accounting procedures will be incorporated in the organisation's policies related to cash management, cheque signing and credit card use.
- All complaints of suspected fraudulent behaviour will be investigated, whilst also providing for the protection of those individuals making the complaint and natural justice to those individuals being the subject of any such complaint.
- Where a prima facie case of fraud has been established the matter will be referred to police. Any action taken by police will be pursued independently of any employment-related investigation by the organisation.
- Recruitment strategies will incorporate fraud prevention;
 - Applicants shall be required to undergo police checks where required by the duties of the position
 - Previous employers and referees shall be contacted
 - Transcripts, qualifications, publications and other certification or documentation shall be validated
- Fraud prevention and detection issues will be included in relevant staff development and induction activities.
- Vendors and contractors will be asked to agree in writing to abide by these policies and procedures.

See also petty cash procedures, paragraph 2.4.

4 Office management procedures

4.1 Filing system

PWD ACT keeps paper and electronic files. The categories used are provided at Appendix D. See also Filing of invoices and receipts paragraph 3.3

4.2 Archiving

TBA – when and what?

How do you decide what to keep and what to throw out/delete? When do you archive files.

4.3 Backing up data

SHOUT is responsible for the regular backing up of network data. The EO is responsible for archiving computer files before major deletions.

4.4 Correspondence

All correspondence received and copies of correspondence sent out are filed by date of receipt in a folder covering each financial year. Email correspondence which is required to be kept is filed in computer folders by financial year of receipt.

4.5 Membership administration

See Part 2 – Membership and External Relations, paragraph 1.4.

4.6 Arrangements with SHOUT

SHOUT provides

- a mail pick up and post service
- computer networking arrangements
- desk space
- insurance
- phone.

4.7 Information folder

To supplement these procedures, the EO is responsible for maintaining an up to date information folder containing practical information which will enhance the efficiency of office management such as details of regular contacts, referral information on other disability advocacy organizations, and grant reporting dates.

5 Other office duties

5.1 Administrative support to the Board

See Part 1 - Board Governance Responsibilities and Board Operations, paragraph 5.4

5.2 Correspondence

Routine correspondence is prepared and signed by the EO. Where the correspondence relates to significant policy or program issues for PWD ACT the EO or a designated Board member (including the Secretary where appropriate) prepares a draft and this is sent to the Executive for comment. The final copy is agreed and signed by the President.

5.3 Member and stakeholder liaison

See Part 2 – Membership and External Relations, particularly Chapter 5.

5.4 Referral

When a PWD ACT member or a member of the public contacts PWD ACT about a personal advocacy matter which is not related to systemic issues, they should be referred to one of the other advocacy organisations in the ACT. An up to date list of these organisations is to be kept in the office information folder. (See paragraph 6.7)

5.5 Media liaison

See Part 2 – Membership and External Relations, particularly Chapter 3

6 Commonwealth State and Territories Disability Agreement National Minimum Data Set (CSTDA NMDS)

The EO is responsible for collecting data required under this agreement.

As at March 2008, this process is being revised by the Commonwealth government. New procedures will be provided at a later date.

Appendix A

PWD ACT office filing system

- ❖ **Old PWD projects** – in labeled folders in storeroom
- ❖ **Recent PWD projects** – in labeled folder on office bookshelf
- ❖ **Past 7 years financial documents** – in labeled folders in storeroom
- ❖ **Current financial documents** – in possession of Treasurer/bookkeeper
- ❖ **Old Correspondence** – in labeled folders in storeroom
- ❖ **Current Year's Correspondence** – in labeled folder on office bookshelf
- ❖ **Record of committee meetings dating back to 1994** – in labeled folders on office bookshelf
- ❖ **Annual Reports** – in labeled folder on office bookshelf
- ❖ **Bulletins** – in labeled folder on office bookshelf
- ❖ **Pamphlets/business cards** – in boxes on office bookshelf
- ❖ **PWD Banner stand** – in carry bag in storeroom
- ❖ **DPI/PWD History** – in labeled folder on office bookshelf

CURRENT CONTENTS OF FILING CABINET

Files are kept alphabetically as follows¹:

- ❖ ACT Budget Proposals
- ❖ ACTCOSS Information
- ❖ Advocacy Groups Combined
- ❖ artsACT 'Getting Into The Arts' Project
- ❖ Australian Taxation Office
- ❖ Banking
- ❖ Board Taxi Reimbursements
- ❖ Bulletins
- ❖ Catering Meetings
- ❖ Chequebooks
- ❖ Common Seal
- ❖ Companion Card
- ❖ Complaints & General Contact
- ❖ Computer Information
- ❖ CSTDA/NDS
- ❖ Current Bulletin in Progress
- ❖ Current PWD Contracts
- ❖ Current Staff
- ❖ Disability Information
- ❖ Disability Statistics
- ❖ Disability Posters
- ❖ Employment Information
- ❖ Financial Statements
- ❖ Government Disability Policies

¹ This file list was correct as at March 2008

- ❖ Hesta Superannuation
- ❖ Induction
- ❖ Media Contacts
- ❖ Memberships
- ❖ Memory Stick
- ❖ OAMPS Insurance
- ❖ Organisations PWD member of
- ❖ Past Employees
- ❖ Phone Records
- ❖ Policy & Procedures Development
- ❖ PWD Media Clippings
- ❖ QBE Insurance
- ❖ Registrar General's forms
- ❖ Reporting Requirements Disability ACT
- ❖ Research on Airline Discrimination
- ❖ SHOUT Information
- ❖ Webpage
- ❖ Workshops/Seminars Attended

COMPUTER FILES

- ❖ Everything else.