

# EXPENDITURE & RECEIPTS



## RATIONALE

It is important for all monies to be expended in a responsible manner to ensure the financial viability of the Manly Warringah Montessori Society (the Society) and to ensure expenditure is in accordance with the priorities of the Farmhouse Montessori School (the School).

## AIMS

- To ensure the efficient running of the Society; and
- To ensure responsibility accountability for any costs incurred in the running of the Society or the School.

## IMPLEMENTATION AND INTERNAL CONTROLS

Anyone wishing to use the Society's assets or finances for the purchasing of goods or services must receive written authorisation, which includes email authorisation (except in the case of emergency whereupon initial verbal authorisation will suffice provided this is followed up by retrospective written authorisation/whereupon retrospective written authorisation will suffice), from the appropriate person, persons or body in accordance with Table 1 below, according to the level of finance, and comply with the appropriate procedures, as set out below, before the purchase is made, any expenditure is incurred, or any item is ordered.

**Table 1**

Value of expenditure/financing	Authorisation required
\$50 or under	No authorisation required. Payment to be made through the School's petty cash system upon provision of paper receipt or other evidence of expenditure.
Over \$50 and up to \$1000	The School's Principal
Over \$1000 and up to \$2000 Budgeted item Unbudgeted item	The School's Principal The School's Principal AND available funds review with Treasurer
Over \$2000 and up to \$5000 Budgeted item Unbudgeted item	The School's Principal The School's Principal AND the Society's Board Chairman AND available funds review with Treasurer <b>OR</b> Board Director
Over \$5000	Society's Board approval required, and resolution number must be registered

Note: The expenditure values specified in Table 1 relate to total purchase values of goods and services. (i.e. not part payments or deposits). Orders may not be deliberately split in order to minimise the level of authorisation required.

## Procedures

### 1. Expenditure of \$20 or under: petty cash

- 1.1 Small amounts of less than \$20.00 are to be paid by cash through the school's petty cash system upon production of a paper receipt or other evidence of expenditure, and information is to be entered into a School petty cash book.

### 2. Expenditure over \$20

- 2.1 For all proposed expenditure over \$20, the person wishing to make use of the Society's assets or finances must fully complete and sign a Reimbursement form – Appendix 1. The person must then arrange for the form to be signed by the appropriate authoriser(s) and submitted to the Society's designated Finance administrator, or alternatively submit the form to the Society's Board for approval of the expenditure if necessary, in accordance with the authorisation requirements in Table 1. The form must indicate the item being purchased, the payee, the amount and the person requesting the payment.
- 2.2 Requests for Board approval of expenditure must also be accompanied by a report containing all necessary information in order for a decision to be made, and the amount must be presented as a motion on the Board's Meeting Agenda.

### 3. Additional procedural requirements for Cheques

- 3.1 Cheques when used must be signed by a minimum of two signatories.
- 3.2 No cheques are to be signed in advance/post-dated.
- 3.3 The authorisation of persons to be signatories on behalf of the Society and the School will be reviewed and verified annually at the Board's first meeting after the AGM. Confirmation of authorised signatories can be requested from the School Principal and/or the Society's designated Finance Administrator.
- 3.4 The persons authorised to sign cheques for expenditure on behalf of the Society and the School must:

- ensure all necessary information is completed within the Cheque Requisition form.
- ensure the appropriate authorisations have been endorsed on the Cheque or Reimbursement form in accordance with Table 1; and
- check that any proposed or actual orders, invoices, receipts and/or other evidence of the proposed or incurred expenditure are in keeping with the Cheque or Reimbursement form and the amount.

#### 4. Additional procedural requirements for bank transfers/internet payment requests

- 4.1 Payments by bank transfer are to be requested by completing a Requisition or Reimbursement form. It must be fully completed, and the appropriate authorisations endorsed on the form in accordance with Table 1. The completed form should be provided to the Society's designated Finance Administrator.
- 4.2 Once the expenditure/payment is appropriately authorised, the Society's designated Finance Administrator is to prepare a bank transfer and request a second signatory to authorise the payment.
- 4.3 The persons authorised to do the bank transfer on behalf of the Society and the School must:
- ensure all necessary information is completed within the Requisition form.
  - ensure the appropriate authorisations have been endorsed on the Requisition form in accordance with Table 1; and
  - check that any proposed or actual orders, invoices, receipts and/or other evidence of the proposed or incurred expenditure are in keeping with the Transfer Requisition form.

#### 5. Petty Cash system procedural requirements

- 5.1 As per point 1.1 above, small payments of less than \$20.00 may be paid by cash through the school's petty cash system upon production of a paper receipt or other evidence of expenditure, and information is to be entered into a School petty cash book. Amounts under \$20.00 may also be reimbursed by bank transfer upon production of the appropriate reimbursement form. This is not part of the Petty Cash System.
- 5.2 Petty cash is to be reconciled on a need's basis, and only one person at each school campus is to be responsible for preparing a reconciliation sheet (in a format approved by the Society and the School's designated Finance Officer) and submitting the sheet to the designated Finance Administrator for checking, for the replenishment of petty cash funds.
- 5.3 In order to organise the replenishment of funds, the designated Finance Administrator must complete a Transfer Requisition form, and obtain authorisation for the replenishment in accordance with the authorisation requirements in Table 1. The replenishment must take the form of a bank transfer to the petty cash account by two authorised signatories. Cash is then able to be withdrawn as needed by the PA to the Principal.

<i>Date</i>	<i>Modification</i>	<i>Next Review Date</i>
<i>Dec 2001</i>	<i>Created</i>	<i>June 2012</i>
<i>June 2012</i>	<i>Amounts changed</i>	<i>Feb 2014</i>
<i>June 2014</i>	<i>Amounts changed in line with information from the Board</i>	<i>23 June 2015</i>
<i>2015</i>	<i>No changes</i>	<i>2018</i>
<i>2018</i>	<i>New logo added and reformatted</i>	<i>2019</i>
<i>5/2/2019</i>	<i>Word reviewed and appendix added</i>	<i>2021</i>
<i>Oct 2021</i>	<p><i>Point 3.1 word <b>no</b> inserted in front of cheque</i></p> <p><i>Point 3.5 Removed and updated into point 3.4</i></p> <p><i>Point 4.4 removed</i></p> <p><i>Point 4.5 deleted The Society's designated Finance Administrator is to fax the Letter of Instruction to the bank, print off a fax report, and file a copy of the fax report along with the Letter in the Society's/the School's financial records.</i></p> <p><i>Additional Procedural requirements for ANZ Cash Management Account deleted</i></p> <p><i>Cheque requisition form wording now deleted and changed to Transfer requisition form.</i></p>	<i>2024</i>



**EXPENSES CLAIM FORM**

**(Please complete this form if the amount is over \$20.00)**

Name: \_\_\_\_\_ Date: \_\_\_\_\_

BSB Number: Bank Account Number: \_\_\_\_\_

Name on Bank Account: \_\_\_\_\_

*Please Print out and Attach Documentation (e.g. receipts) Amounts will not be processed unless receipts are attached.*

Details: Supplier/Company	Item Description	Date Expense Incurred	Total Cost	GST	NET	Budget Item
<b>Total to be Reimbursed:</b>						

Signature of Claimant: \_\_\_\_\_

Date Submitted: \_\_\_\_\_

Authorised by (Name): \_\_\_\_\_

Signature of Authorised Person: \_\_\_\_\_ ( Principal/Board Treasurer)

(Can have email attached)

\_\_\_\_\_

Office Use Only:

Claim Permitted? (Circle) Yes / No.

If no, state reason: \_\_\_\_\_

Reimbursed by:  Bank Transfer

Date Reimbursed: \_\_\_\_\_