
P 2.7.7 FINANCIAL CONTROLS, COMPLIANCE & DELEGATIONS

1. Policy

The aim of the policy is to clarify the requirements of financial transactions and processes to ensure that operations and processes of the organisation are transparent and accountable. This policy will require:

- i. That responsibility and autonomy are devolved to the appropriate level so that staff can be effective and efficient
- ii. Delegations of authority will be recorded and accessible
- iii. To ensure internal controls are effective

2. Scope

This policy applies to all members and staff of Open Minds

3. Principles

- 3.1. The Board of Open Minds is responsible for ensuring that the finances of the organisation are properly managed and acquitted in an appropriate and timely manner. This is achieved by
 - i. Adequate accounting records being kept for all financial transactions
 - ii. All income is recorded and correctly accounted for
 - iii. All expenditure is valid, appropriately authorised and correctly recorded
 - iv. Maintenance of a compliance register
- 3.2. The Board will be ultimately responsible for all expenditure. Overall operational expenditure for the current financial year will be approved by the Board as per the annual budget. This authority is partially delegated to the Chief Executive Officer (CEO) for the purposes of day-to-day management, who must authorise all transactions on behalf of the Board. A breakdown of the delegation of authority is in the attached schedule (see **Attachment A: Delegations of Authority**).

4. Procedures

- 4.1. The Board shall approve both an operational and capital expenditure budget each financial year.
- 4.2. Departmental Managers will be authorised to approve purchase orders and invoices within the approved operating budget and up to the set expenditure limits as set in the attached Delegations of authority table
- 4.3. The CEO, CFO and Asset Manager will be authorised to approve purchase orders and invoices within the approved capital expenditure budget and up to the set expenditure limits as set in the attached Delegations of authority table
- 4.4. All cheques require the signatures of any two persons authorised by the Board. Directors of the Board, the CEO, and CFO are authorised to sign cheques for all accounts held by Open Minds. An authorised cheque signer will sign only upon review and approval of the transaction. This will include review for the existence of proper supporting documentation such as a purchase order and evidence of the receipts of the goods and services.
- 4.5. Credit Cards will only be issued to senior management with the approval of the Board. All supporting documents must be kept and filed with the monthly statement. All credit card purchases shall fall with the delegation authority limits set below

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4.6. A compliance register (***F2702 Compliance Register***) shall be maintained by the CFO listing all external compliance requirements for Open Minds. This shall be reported to the Finance, Risk and Compliance committee with the monthly report.

5. References

6. Related Policies & Procedures

7. Related Documents

F2702 Compliance Register
 Attachment A: Delegations of Authority

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Attachment A: Delegations of Authority

Area	Board of Directors	Chair	CEO	CFO	Senior Management Team*	Asset Manager	Coordinator & Team Leader	Accountant
Bank Accounts	Authorised to sign cheques, approve electronic transfers, transaction on any OM bank accounts, any two persons	X	X	X				
	Authorised to approve issuance of credit card-<\$2,000	X	X					
	Authorised to enquire on accounts and receive information (e.g. Statements)		X	X				X
Purchasing	Expenses >\$50K within budget and >\$25K outside budget to be approved by the Board of Directors or any two Directors signing together Unlimited for the Board in meeting	Expenses<\$50K within Budget <\$25K outside budget in conjunction with Deputy Chair or one other Board Member	<\$50K within Budget <\$25K outside budget	<\$2,000	<\$2,000	<\$2,000		
	Authorised to approve purchase orders and invoices within approved operating budget	Expenses >\$50K within budget and >\$10K outside budget to be approved by the Board of Directors or any two Directors signing together Unlimited for the Board in meeting	Expenses<\$50K within Budget <\$25K outside budget in conjunction with Deputy Chair or one other Board Member	<\$2,000		<\$2,000		
Services	Authorised to approve Capital Expenditure including leasing and hire purchase and invoices within approved budget	Expenses >\$50K within budget and >\$10K outside budget to be approved by the Board of Directors or any two Directors signing together Unlimited for the Board in meeting	<\$50K within Budget <\$25K outside budget	<\$2,000		<\$2,000		
	A persons supervisor of direct up line Manager must authorise any transaction that relate directly to that person or related party	Board member expenses to be authorised by the Chair. The Chair's expenses to be authorised by Deputy Chair or Treasurer	All Staff travel and expenses within Australia	<\$1,000				
	Travel and Other Expenses	CEO travel and Board Member travel and expenses						
	Authorised to approve hours and expenses relating to their clients, amounts in excess of funding to be taken as an accumulative total	Outside approved funding levels, total costs >\$50K to be approved by Board or	Outside approved funding levels total costs	Within approved funding levels, total costs <\$5,000	Within approved funding levels, total costs <\$5,000	<\$2,000	Within approved funding levels, expenses <\$500	

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Area	Board of Directors	Chair	CEO	CFO	Senior Management Team*	Asset Manager	Coordinator & Team Leader	Accountant
	any two to sign		<\$50K		Outside approved funding levels <\$500			
Authorised to approve timesheets			All Employee timesheets	Relevant department and team timesheets	Relevant department and team timesheets		Original timesheets received with under 5% variation to master roster	
Note: Approved funding defined as receipt of grant agreement and within funding guidelines								
Authorised to approve salary packages and benefits	Approve CEO and EMT remuneration and annual salary adjustment as appropriate		Approve all remuneration packages* and increases	Review and confirm terms within budget and FBT exemption	HR Manager to review and confirm terms within appropriate awards and consistent with organisation policy			
*Excluding EMT and CEO			Approve and sign all fulltime employee contracts and variations	CEO delegated authority to approve and sign part time and casual employee contracts and variations	CEO delegated authority to approve and sign part time and casual employee contracts and variations			
Leave - Annual and Sick	Approve CEO leave greater than 5 days	Approve CEO leave greater than 5 days	Approve leave outside available leave allowances and all SMT & CFO leave	Approve leave for staff within department and allowable leave allowances	Approve leave for staff within department and allowable leave allowances		Approve leave for staff within team and allowable leave allowances	
Long Service Leave and Special Leave	Approve CEO leave	Approve CEO leave	Approve all leave					
Other								

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Area	Board of Directors	Chair	CEO	CFO	Senior Management Team*	Asset Manager	Coordinator & Team Leader	Accountant
ATO	ATO Public Officer		X	X				
	ATO – authorised to enquire on company affairs		X					X
Policy and Procedure	Authorised to approve procedures in line with company policy		X					
	Authorised to approve Corporate Governance Policy	X						
	Authorised to approve Operational and Administrative Policy		X					

*SMT – Includes Service Development Manager, Client Services Manager, Human Resources Manager, Fundraising Manager and Employment Services Manager

Authorised by Board of Directors  Date 16-3-16