



U3A Canberra POLICY No. P70

| Financial Commitments and Payments Policy | |
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| Publication date: 18 September 2024 | Applies to: Committee and all members of U3A-ACT Inc |
| Responsible person: Treasurer | Scheduled review date: Every three years as determined by the Committee |
| Approved by: Committee meeting on 9 September 2024 | Author: Graeme Swift (Treasurer) |

INTRODUCTION

U3A-ACT Inc. (U3A) Objects and Rules (the Rules) require the Committee to control and manage the affairs of the Association (Rule 14).

Rule 16(2) allows for the reimbursement of reasonable out-of-pocket expenses incurred by members in the course of providing voluntary services to the association, and the making of a gift to a value not exceeding \$50 (or such other amount as the Committee may determine) to a member as a token of appreciation of special services rendered voluntarily to the association.

Rule 21(1)(a) provides that the Treasurer's responsibilities include ensuring all payments authorised by the association are made.

PURPOSE

This Policy:

- Provides authority for committing and paying U3A monies
- provides for the Committee to authorise commitments and payments on behalf of the association and
- ensures that decisions related to expenditure of U3A monies are only taken with the authority of the Committee, that accountability measures for commitments and payments are in place and that payments can be made.

It is primarily designed to ensure:

- Good governance processes are in place across the Association
- 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 to mitigate against the risk of fraud.

The Procurement Policy – Goods and Services and the Tours and Related Activities Policy are to be read in conjunction with this Policy.

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.

DEFINITIONS:

Commitment: The act of promising to pay money to another party on behalf of U3A.

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

POLICY

All Commitments

1. All commitments must be for purposes consistent with the Rules of the Association and for purchases that would be considered reasonable in any given circumstance.
2. All commitments must be recorded in writing.
3. A member may only make a commitment if he/she is authorised to do so by:
 - a. The Rules
 - b. requirements relating to his/her role
 - c. a decision of the Committee or
 - d. a relevant Policy.

All Payments

4. All payments must be for the purpose of an existing commitment, except for payments from Petty Cash for purchase of consumables.
5. No person may make a payment unless that person is authorised to do so by:
 - a. The Rules
 - b. a decision of the Committee or
 - c. any relevant existing policy.
6. A person, other than the Treasurer, who makes a payment must give the Treasurer the details of the payment.
7. Members who are authorised to make payments from any U3A account are accountable for those payments, and they will provide a statement of the payments made by them each month to the Treasurer one week prior to the next scheduled Committee meeting.
8. The Treasurer will use that information to develop a report for the next Committee meeting so that all payments made can be ratified under rule 21(6) of the Rules.

Commitments – U3A Main Account

9. The Committee will determine annually, or more frequently if considered necessary, a list of positions and members authorised to make commitments and specify the limits of the authority (**Attachment A**).

10. The Committee may make additions or deletions to the list at any other time during the year as appropriate.
11. A person making a commitment must be sure that the decision is appropriate in all circumstances.
12. Commitments above \$2000 can only be authorised by a decision of the Committee.
13. The Committee may also authorise commitments under that limit.
14. In the case of an emergency, commitments that would otherwise need to be authorised by the Committee, may be authorised by a majority of office holders of the association, namely three out of five of the President, Secretary, Treasurer and the two Vice Presidents. Authority may be provided by email if appropriate.

Payments - U3A-ACT Inc. Main Account

15. The Committee will determine annually, or more frequently if considered necessary:
 - a. A list of positions and members authorised to make payments, including through the use of credit cards, and specify the limits of the authority (**Attachment A**).
 - b. 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**).
16. When a commitment has been actioned, associated payments should be made from U3A accounts, to simplify GST accounting, by a member authorised to make payments in **Attachment A**:
 - a. A properly rendered invoice provided to the Treasurer for payment or
 - b. use of a U3A credit or debit card or
 - c. receipts for expenditure presented to the Treasurer for reimbursement using the "Expenses Claim Form" (Attachment C).
17. Payment methods in order of preference are:
 - a. Electronic transfer of funds (EFT) (one-off or direct debit for regular payments)
 - b. debit card
 - c. credit card
 - d. cash.
18. A person may not be both the authoriser and the claimant for any expenses claim. All requests for payment or reimbursement must indicate who has approved the commitment.
19. In all cases, where a person has made a commitment he/she must sign that the services or goods have been received before payment is made.
20. 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.
21. Claims for reasonable out-of-pocket expenses incurred by members in the course of providing voluntary services to the association 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.

Note: See paragraph 27 for payment for out-of-pocket expenses from the Tours Account.

23. Allowances for expenses such as mileage, accommodation, meals and incidentals may be made to members who travel outside the ACT on behalf of the association, where such travel is approved by the Committee. Allowances should be paid at the rate set by the Australian Taxation Office as reasonable expenses for income tax purposes for the relevant year.

Commitments and Payments - U3A-ACT Inc Tours Account

24. The Tours Officer and the Assistant Tours Officer are authorised to make commitments and payments as set out in Attachment A relating to U3A monies held in the Tours Account as outlined in the Tours and Related Activities Policy.
25. Individual tours and related activities are required to operate from a financial basis that aims to be at least break-even.
26. Claims for reasonable out-of-pocket expenses incurred by members in the course of providing voluntary services to the association and payable from the tours account may be authorised by the relevant delegate against appropriate documentation.

Petty Cash

27. Petty cash, either in cash or in the form of a Debit Card, is held in each of the U3A offices to a maximum of \$100 and can be topped up upon request to the Treasurer from an Office Manager.
28. Receipts for payments from Petty Cash are held and filed by the relevant Office Manager, copied to the Treasurer. Petty cash accounts must be reconciled at least annually.

Incoming payments – All Accounts

29. 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:
- a. EFTPOS available at U3A offices (equal first preference)
 - b. electronic transfer of funds (EFT) (equal first preference)
 - c. cheque - cheques may not be made out to cash and
 - d. cash.

RELATED DOCUMENTS

Associations Incorporation Act 1991

U3A-ACT Inc. Objects and Rules

U3A-ACT Inc Procurement Policy

U3A-ACT Inc. Walks and Tours Policy



EXPENSES CLAIM FORM

ATTACHMENT C

| |
|------------------------|
| Invoice No |
| Cheque/transaction No: |

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