

GCC Financial Delegation

Overview

The Financial Delegations policy establishes a framework to safeguard the use of club funds. The policy ensures the Committee, President, Treasurer, Executive Committee, and Sub Committees are provided with the level of financial authority necessary to discharge their duties and responsibilities on behalf of Grafton Cycle Club (GCC).

For delegations to be effective they require a high level of accountability. To ensure this is in place, the committee needs to set the direction and establish clear expectations of delegates. They also need to:

- understand information presented in reports
- question effectively and receive adequate explanation
- take action when necessary.

The delegations apply to the Committee, Executive, President, Treasurer and Sub Committees (not individuals) to approve purchases up to the amounts detailed in the Chart of Delegations below.

A financial delegate **must**:

- act in the interests of GCC
- act in accordance with applicable legislation and policies
- observe any limits or conditions attached to the delegation
- consider risks and internal controls
- ensure that decisions are reasonable, defensible, properly documented and transparent.

A financial delegate **must not**:

- split transactions to circumvent financial delegation limits
- approve reimbursement of their own out of pocket expenses or other self-related matters
- delegate their authority to another person
- exercise their delegation where there is a perceived or actual conflict of interest. If any conflict of interest arises, it must be declared by the delegate.
- exceed the amounts (including GST) as stated in this policy

The financial limits assigned to positions are intended to reflect the club's risk appetite (ie. the amount of risk an organisation is willing to accept to achieve its objectives) and operational needs and are to be reviewed at least annually.

Authority to expend the club's funds outside the approved limits of delegation must be provided to and approved by the Committee at a committee meeting.

Payment Procedure

This procedure covers payment for Purchases

- Invoices/documentation (tax invoice or receipts) for the supply of goods and services are sent electronically to the treasurer from the relevant committee member with a recommendation for payment.
- The receipts are filed by the Treasurer in the Finance Folder, in the relevant year, on Tidyhq.
- The Treasurer sets up the payment in the club's online banking system.

- The Treasurer provides a detailed description of the purchases electronically with a link to the documentation (Tidyhq folder) to the other signatories and request one of the signatories completes the approval online. Approval completion must be done in a timely manner.

Note: The Treasurer has a delegation to spend up to \$200. The Treasurer may also make purchases from an allocated budget for a project or event. In cases where these situations arise, the Treasurer will forward the documentation for these purchases to the other signatories to review the request for payment and if appropriate, approve and set up the online payment. Once the payment is set up, the approving signatory will advise the Treasurer who will then file the documents in the central filing location and provide a detailed description of the purchases electronically with a link to the documentation to the other signatories and request one of the signatories complete the approval online.

This procedure covers the requirements for the use of the Club's Debit Card

- The Limit for the Debit Card is \$1000. Refer to chart – card can only be used to the maximum delegation by an individual delegate.
- No personal expenditure or cash advances are permitted on a club's Debit Card.
- The Treasurer must ensure the security of the club's Debit Card.
- The Treasurer must notify the Bank if the debit card is lost or stolen.
- If the Debit Card is required by another committee member with the relevant delegation, it must be returned to the Treasurer complete with supporting documentation.
- The Treasurer will file the receipts in the Finance Folder, in the relevant year, on Tidyhq.
- The Treasurer will set up the funds transfer in the clubs online banking and electronically requests one of the signatories complete the approval online. Approval completion must be done in a timely manner.

Issue of credit cards or other payment cards or increase in card limit

- The Treasurer must submit a request to the committee, including justification for the need for additional cards or increase in card limit. The decision to approve additional card(s) or increased limit must have the authorisation of the Committee and be recorded in the minutes of the committee meeting. The Treasurer will organise for the new card (s).

Funding and Events Procedure

Grants

From time to time GCC applies for and is granted funding from Government departments and philanthropists. It is acknowledged that the reporting requirements can vary significantly across the various funding sources. Funding bodies generally require a project budget in the funding application and if successful GCC is required to work within that budget and it might require periodic reporting against the budget. The funding body may also require an invoice to access the funds.

Given the budget has been approved by the funding body and adopted by the Committee (as a result of accepting the funding), rather than include a financial delegation for expending Grant funding, GCC will administer the financial requirements of grants as follows:

- When receipt of a letter of successful application is received, the Secretary (or Sub Committee Convenor) must provide a copy of the correspondence to the Treasurer who will, if required, raise an invoice and submit to the funding body.
- The Treasurer retains a copy of the funding agreement to become familiar with the financial reporting requirements of the agreement including any Audit requirements.
- Given the funding body has approved the budget, on receipt of the funds the Treasurer will document the project budget and will allocate all spending against the relevant budget line item and will provide a budget update report monthly to the committee. The Treasurer must alert the Sub Committee Convenor if any of the budget is close to an overspend or at risk of underspend.

- At this point, if necessary, the Treasurer and the Sub Committee Convenor will review the budget and make a recommendation to the committee if changes are required.
- All payments in relation to the financial administration of the funding will be in accordance with the procedure for payment of purchases (above).

Events

The relevant Sub Committee Convenor will prepare an Event plan including a budget. The Event plan and Budget must be approved by the Committee. It is acknowledged that the budget is an estimate and as the implementation of the event plan proceeds it may be necessary to update the budget.

Given the budget has been approved by the Committee, rather than include a financial delegation for expending the Events budget, GCC will administer the events budget as follows:

- When the committee has approved the budget, the Treasurer will document the Events budget and will allocate all spending against the relevant budget line item and will provide a budget update report monthly to the Committee. The Treasurer must alert the Sub Committee Convenor if any of the budget is close to an overspend or underspend.
- At this point, if necessary, the Treasurer and the Sub Committee Convenor will review the budget and make a recommendation to the committee if changes are required.
- All payments in relation to the financial administration of an Event will be in accordance with the procedure for payment of purchases (above).

Other Procedures

Membership Fees

- GCC's Constitution, Section 3 (d) requires the Club to determine membership fees at the AGM.

Asset Purchases and Replacements

- All assets are to be documented and are to be checked at least annually to confirm they exist, are locatable, and are in good working order.

Online Banking

- The Treasurer and one other (of the 5 approved) authorised signatories are the only personnel permitted to complete Online Banking.

Changes to Bank Account Signatories

- The authorised signatories are to be decided at the AGM.
- Following the AGM any authorised signatories who have resigned their position will be removed as a signatory to the GCC bank account and the Treasurer will arrange and submit paperwork for new signatories.

Establishing and Closing Bank Accounts

Opening Bank Accounts

- Any new bank account must have the authorisation of the Committee and be recorded in the minutes of the committee meeting. If approved, the Treasurer will organise to open the new account with the Bank.

Closing Bank Accounts

- The Treasurer must make recommendation (including justification) to the committee to close a GCC bank account. The decision to close a bank account must have the authorisation of the Committee and be recorded in the minutes of the committee meeting. If approved, the Treasurer will organise the account closure.

Chart of Delegations

Transaction	Comments	GCC Committee positions					
		Committee Vote	President	Executive Vote ⁽¹⁾	Treasurer	Road Sub-Committee	MTB Sub-Committee
<i>Operating expenditure (per transaction including GST)</i>		<i>All Funds</i>	<i>All Funds</i>	<i>All Funds</i>	<i>All Funds</i>	<i>All Funds</i>	<i>All Funds</i>
Purchases	Goods and services purchased for Club purposes	>\$1000	\$800	\$1000	\$200	\$800	\$800
Issue credit cards or other payment cards or increase in existing card limit	Treasurer to implement after committee approval	Approval required	N.A.	N.A.	N.A.	N.A.	N.A.
Membership fees	The Constitution, Section 3 (d) requires the Club to determine membership fees at the AGM.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Asset purchases & replacements	Over \$1000	Unlimited	N.A.	N.A.	N.A.	N.A.	N.A.
Establishing and closing bank accounts	New or existing provider.	Approval required	N.A.	N.A.	N.A.	N.A.	N.A.
Bank Account payment authorisation ⁽²⁾	First and second authorisation must be different positions. Approved authorised signatories only.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Changes to bank account signatories	At least 5 signatories. A decision to add additional signatories to be made by members present at AGM	NA	N.A.	N.A.	N.A.	N.A.	N.A.
Applying for grants and Funding	Approving the preparation and submission of applications for Grants and Funding	Unlimited	<\$5001	<\$10,001	N.A.	N.A.	N.A.
Merchandise pricing and discounts	Setting prices for Merchandise eg. Club Kit.	Unlimited	N.A.	N.A.	N.A.	NA	NA

(1) Request sent to Executive and must be supported by three members of the Executive.

(2) Designated Signatories only

