



## EXPENDITURE POLICY

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### Mandatory – Quality Area

## PURPOSE

This policy will provide clear guidelines for:

- ensuring the future viability of Jells Park Pre-school, by setting expenditure budgets and limits with appropriate approvals and monitoring in place
- the types of expected discretionary expenditure that are required in order for Jells Park Preschool to operate effectively and efficiently.

## POLICY

### Recurring Expenditure

In order for Jells Park Preschool to operate efficiently and effectively, expenditure of a recurring nature is required. Refer Attachment 1 for a listing of expected recurring program and administration costs. This list is not exhaustive, however lists the majority of types of expenditure that the Program Director and Staff will need to utilise throughout the year.

This list is to be reviewed and amended as required in line with set approved budgets.

Based on this agreed list of expenditure, the Program Director has 'pre-approval' to purchase items from this list, in accordance with budgeted amounts.

Once a month, a budget tracking meeting for program and administration costs is to be held with the Program Director & Treasurer. At this minuted meeting, approval can be obtained for the following month's expenditure if required.

Invoices are to be provided to the President/Treasurer for approval of payments as per the guidelines set out below to enable monitoring throughout the month and to ensure that invoice details are accurate.

Non discretionary expenditure such as utilities, salaries etc are not subject to the following approvals guidelines, however approval for payment is required by the President/Treasurer.

### Expenditure Approval Limits

All expenditure between \$250 and \$500 requires pre-approval by a member of the Executive Committee. Expenditure between \$500 and \$750 requires pre-approval by two members of the Executive Committee. Expenditure greater than \$750 requires approval by the Committee of Management. Quotes should be obtained for expenditure greater than \$750 where possible.

Expense claim forms and invoices are to be approved by the President and/or Treasurer. If the President and/or Treasurer are unavailable to sign, a member of the executive committee (Vice President/Secretary) can approve in their place.

An expense claim form (located on Basecamp) must be completed for all out-of-pocket expenses incurred by Staff and Committee Members. If the President or Treasurer have expense reimbursements, the expense claim form is to be authorised by another member of the executive committee.

Expense reimbursements should not be used for recurring expenditure. A maximum of \$250 will be approved via Expense Reimbursements. Amounts greater than \$250 or of a recurring nature should be

invoiced directly to the service wherever possible. In exceptional circumstances, amounts greater than \$250 will be approved via expense reimbursement at the Committee of Managements' discretion.

The payment of invoices requires two bank signatories to process. The processing of a payment is not approval of the expenditure. At this stage, the signatories are responsible for the accuracy of the payment – i.e. the payment amount, banking details etc. The approval process of the expenditure is subject to the guidelines set out below.

## Summary of Expenditure Approval Limits and Documentation Requirements

Expenditure Type	Approval Limit	Documentation Required	Approval Requirements
Recurring Expenditure (as per Attachment 1)	Up to \$250	Expense Claim Form Receipts / Invoices	President or Treasurer
Recurring Expenditure (as per Attachment 1)	\$250-\$500	Pre-approval documentation Invoices	President <b>or</b> Treasurer (approval pre purchase)
Recurring Expenditure (as per Attachment 1)	\$500-\$750	Pre-approval documentation Invoice	President <b>&amp;</b> Treasurer (approval pre purchase)
Other General Expenditure (not included on Attachment 1)	Up to \$150	Invoice	President <b>or</b> Treasurer
Other General Expenditure (not included on Attachment 1)	\$150-\$750	Pre-approval documentation Invoice	President <b>&amp;</b> Treasurer (approval pre purchase)
All expenditure greater than \$750	Over \$750	Quotes Pre-approval documentation Invoice	Committee of Management (approval pre purchase)

## Expenditure Approval Procedures

### Recurring Expenditure (Attachment 1)

Each invoice to be paid by the service is to be authorised by the purchaser checking for accuracy and approved for payment by a minimum one Executive Committee member.

#### Recurring expenditure up to \$250

- Purchaser to authorise invoice checking for accuracy
- If paid via Expense Reimbursement, an expense claim form is to be completed by the purchaser and all relevant receipts/invoices attached
- President or Treasurer to check reasonableness of expenditure and authorise for payment
- Invoice to be submitted to Finance Officer for processing of payment

#### Recurring expenditure \$250-\$500

- Pre-approval is to be obtained for recurring expenditure of \$250-\$500 (email approval is acceptable)
- Expenditure is to be checked for reasonableness and approved for purchase by the President or Treasurer
- Goods/services are only to be ordered once approval has been obtained
- Purchaser to authorise invoice checking for accuracy
- Invoice is to be attached to approval email and approved for payment by the President or Treasurer
- Invoice to be submitted to Finance Officer for processing of payment

#### Recurring expenditure \$500-\$750

- Pre-approval is to be obtained for recurring expenditure of \$500-\$750 (email approval is acceptable)
- Expenditure is to be checked for reasonableness and approved for purchase by the President and one other member of the Executive Committee
- Goods/services are only to be ordered once approval has been obtained
- Purchaser to authorise invoice checking for accuracy
- Invoice is to be attached to approval email and approved for payment by the President & Treasurer
- Invoice to be submitted to Finance Officer for processing of payment

#### **Other Expenditure (not included on Attachment 1)**

##### **Other expenditure up to \$150**

- Purchaser to authorise invoice checking for accuracy
- President or Treasurer to check reasonableness of expenditure and authorise for payment
- Invoice to be submitted to Admin & Finance Officer for processing of payment

##### **Other expenditure \$200-\$750**

- Pre-approval is to be obtained for other expenditure of \$250-\$500 (email approval is acceptable)
- Expenditure is to be checked for reasonableness and approved for purchase by the President or Treasurer
- Goods/services are only to be ordered once approval has been obtained
- Purchaser to authorise invoice checking for accuracy
- Invoice is to be attached to approval email and approved for payment by the President or Treasurer
- Invoice to be submitted to Finance Officer for processing of payment

##### **Other expenditure greater than \$750**

- Where possible, quotes are to be obtained for other expenditure over \$750
- The expenditure is to be approved for purchase by Committee of Management at the next available committee meeting
- If purchase is urgent, email approval can be obtained from committee however this is only for purchases deemed to be of an urgent nature
- Goods/services are only to be ordered once approval has been obtained
- Invoice is to be attached to approval in minutes of Committee Meeting or email approval and approved for payment by the President & Treasurer
- Invoice to be submitted to Finance Officer for processing of payment

#### **Bellbird Kid-Z Educational Resources**

Bulk orders are placed with Bellbird Kid-Z Educational resources. This usually occurs once a term. The Program Director has authority to spend \$500 per term for bulk orders. This amount should be reviewed annually in line with set approved budgets for Program Expenses.

These purchases from Bellbird are not subject to the above Expenditure Approval Limit Requirements.

#### **ATTACHMENTS**

- Attachment 1: Listing of Recurring Expenditure

#### **AUTHORISATION**

The policy was adopted by the Approved Provider of Jells Park Preschool on 9 / FEB / 2014.

**REVIEW DATE: 8 / MAY / 2018**



## ATTACHMENT 1: LISTING OF RECURRING EXPENDITURE

**Note – all expenditure is to be in line with budgeted amounts and monitored on a monthly basis**

### Administration / Other

Office stationery (paper, stamps, laminating etc)  
Printer ink  
General kitchen items (chemicals/cleaning products, milk, tea/coffee, biscuits for meetings/grandparents day)  
Minor maintenance items (nails, hooks etc)  
Advertising  
Canvas for Committee Members  
Working Bee (general maintenance items, sand, tan bark/mulch)  
Utilities (Water, Gas, Electricity)  
Insurance  
Cleaning contract costs  
Staff/Parent Communication App (e.g. Skoolbag)

### Program / Social

Art supplies  
Toys & books  
Sunhats for children  
Cooking activities  
Mothers Day gifts (\$5 per child)  
Fathers Day gifts (\$5 per child)  
Books for childrens' Christmas gift (\$5 per child)  
Excursion – Bus and activity costs  
Incursions  
Open Day  
Family social functions – Welcome BBQ, Easter, Christmas  
Vegie garden supplies  
Kinder pet supplies