

# Financial Management Policy

## Policy Statement & Commitments

The Brunswick East Primary School Council, through its OSHC Management Sub-committee is responsible for the overall financial planning and management of the Brunswick East Primary School Outside School Hours Service (BEPS OSHC Service), which will operate within the constraints of the financial budget.

The School Council OSHC Management Sub-committee is committed to ensuring that:

- all costs associated with staffing i.e. Superannuation, Work Cover etc. are paid, in consultation with the OSHC Coordinator, Business Manager and the School Principal
- budget approvals are prepared on an annual basis in line with school timelines
- all financial records will be audited at the completion of the financial year and the audit's findings will be presented to the School Council in the new year
- past financial year records are used as a basis for developing new budgets
- a cash-flow will be developed to ensure the ongoing financial monitoring of the budget
- all expenditure (excluding petty cash) will be approved by the BEPS School Council. Once School Council approves a budget prepared by the OSHC Coordinator, then only large items above \$1000 need to be approved by the Management Sub-committee, or items that have not been allocated for in the current budget
- financial transparency is adhered to
- Financial procedures are in place between OSHC and the School.

The Coordinator is committed to ensuring that:

- a budget is prepared annually outlining the anticipated income, past annual expenditure and budget proposal for the service
- the day-to-day financial management is undertaken in line with the Service's policies and procedures (i.e. invoicing of family accounts, collection and delivery of fees to school office)
- staff wages are documented and prepared for the School Burser on a fortnightly basis for remuneration
- all purchases are undertaken in line with the school's purchasing policy.

Approved	August 2018	Review date:	September 2019
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**Procedures**

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The following financial management procedures provide a framework to establish and maintain effective financial management at BEPS OSHC Service. Effective implementation is the responsibility of the OSHC Coordinator, and allows the Management Sub-committee to monitor the finances and report to School Council as necessary.

**Banking**

All monies, cash and cheques, received by the service are collated and entered on the OSHC Administration system by the Coordinator before being handed to the BEPS front office to be banked on a weekly basis. QKR! Direct Deposit payments made to the school are entered by the Coordinator into the OSHC administration system on a weekly basis. Prior to banking, all cash will be held in a secure place under the direct control of the Coordinator. A reconciliation of fees paid, receipts issued, fee records completed and a bank deposit slip will be completed when monies are prepared for banking, which is then given to the School’s Business Manager for receipting records and banking.

**Budget Proposal**

The OSHC Coordinator annually undertakes the preparation of a documented budget proposal to show what the Service intends to spend in the following year, and what income the Service believes it will receive in that year. The budget statement is an effective tool to assist BEPS OSHC to offer quality programs and provide for the needs of all staff, children and families. It will also assist the School Council to establish the financial viability of the service, determine fees to be charged by the service, and identify financial obligations and future commitments including; Staff wages, superannuation, long service leave, insurance, maintenance and future provisions.

**Dishonoured Cheques**

The service is unable to carry fees and charges for dishonoured cheques. Any cost incurred to the service due to dishonoured cheques will be charged to the family or guardian concerned.

**Expenses**

When monitoring finances, projecting budgets or considering fee structure, the program expense must be taken into account. Expense items are payments made for services. The School Council, under the advice of the OSHC Coordinator, will decide what items are relevant and include them in the budget. Relevant expenses may include the following items:

- utilities – monies are allocated for electricity out of the OSHC annual budget

Approved	August 2018	Review date:	September 2019
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- telephone and postage – all OSHC telephone costs including a separate external phone line and mobile phone are valid expenses under the OSHC budget
- children’s excursions, in-house activities and other additional costs
- staff wages and staff-related expenses, such as providing food at staff meetings, professional development attendance and training
- Contract cleaning, including the costs of daily cleaning of the premises, as well as annual cleaning such as steam cleaning, stripping and polishing floors etc.
- financial services, such as audit costs, bank charges and debt collection services
- Registrations, including membership to professional associations and organisations, food safety registrations and audits, NQF fees etc.
- resources and equipment
- food
- Maintenance of buildings, furnishings and equipment.

**Handling of Cash or Cheque Payments**

The BEPS OSHC Coordinator, Assistant Coordinator and school office are the only people who can accept payment from families for care. In circumstances where families cannot pay via the QKR! App, Payments will be accepted via cheque or cash given directly to the Coordinator or Assistant Coordinator, who will immediately input into the computer and provide a receipt.

Cheques must be made out to BEPS OSHC. All payments must be made in an envelope marked with the child’s name, date of payment, amount enclosed. The service gives the money collected to the school, for banking once a week. All monies are stored securely.

**Fee Setting and Payment Expectations**

BEPS OSHC aims to provide a quality service that is accessible and affordable to families. BEPS OSHC operates as a non-profit organisation. Any surplus will be expended on equipment and resources for the children’s program, and minor upgrades and service improvements as specified by the BEPS School Council and the annual OSHC budget proposal. BEPS OSHC aims to provide a quality service that is accessible and affordable to all families.

Fees will be reviewed by the BEPS School Council every year or as deemed necessary. Fees are set to cover the cost of the service and to meet the projected budget for the service. All program fees and charges are subject to automatic incremental annual adjustments up to .50c indexed to inflation. Fees will increase annually in Term 2 on an increment of \$1.00 per program fee, or as otherwise specified. Fee increases are subject to change based on review of the OSHC budget.

The School Council will ensure that fees are reviewed on a regular basis when establishing budget parameters and those fees are charged per session per child. The BEPS OSHC Coordinator will ensure that families are invoiced fortnightly, and that School Council is informed through the Management Sub-committee of any industrial changes affecting fee requirements.

Approved	August 2018	Review date:	September 2019
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Families are expected to pay child-care fees on a regular basis, and that accounts are finalised before the end of each term. For permanent booked Care (regular bookings used each week), families will be charged fees fortnightly in arrears with an invoice issued on Friday for the previous two weeks with fees to be paid for by the following Friday. For casual or emergency care (no permanent booking) fees must be paid on the day of attendance.

### **Fundraising**

Fundraising is an additional aspect to the financial management of the service. All fundraising activities will have a specific purpose which stakeholders will be notified of. No family will be placed under pressure to participate in the fundraising activities of the Service. The School Council will ensure that all fundraising income is used in the way it is advertised to the families. The BEPS OSHC Coordinator will ensure that formal requests to raise funds are brought to School Council prior to an activity eventuating, via the Management Sub-committee. Financial aspects of fundraising activities are reported to the School Council upon completion of the activity. BEPS OSHC Staff will ensure that fundraising activities are promoted and supported. Staff will notify families of fundraising activities, including the aim of the activity, emphasising that participation is voluntary.

### **Petty Cash**

Petty cash is not a preferred option for payment of goods at BEPS OSHC. It is only to be used in an emergency or in particular situations. For example, it is appropriate to use petty cash where certain products can only be purchased from a particular outlet that does not provide other options for payment. All petty cash transactions must be discussed and approved with the School Principal or School Burser prior to purchasing. The Coordinator is the only staff member that can use petty cash. Petty cash must be kept to a minimum. Receipts must be provided, and a school purchase order must be filled out for all petty cash payments before any reimbursement can occur.

### **Purchase order process**

A School purchase order must be completed for all resources and goods purchased or ordered with receipts attached. All purchase orders must be signed by the School Principal or Assistant Principal before ordering goods. The Coordinator is the only staff member that can fill in purchase orders. Large orders (in excess of \$1000) must be approved by the School Council or Principal. A copy of all purchase receipts and orders will be kept by the Service.

- A School Corporate Bank Card is available for purchases that require payment on delivery or pick-up. The purchase must be authorised by the principal. A purchase order must be filled in and accompany orders. The Coordinator and Principal must sign the purchase order prior to purchase.

In some circumstances, orders can be made with organizations who we have ongoing agreements with the following entities:

- Woolworths and Safeway – the Coordinator makes an order weekly or as needed online. Goods are delivered with an invoice attached, which is given to the school office. A monthly invoice is sent to the school for payment.
- Officeworks and Bunnings – the school has a business account with the company, and goods

<b>Approved</b>	<i>August 2018</i>	<b>Review date:</b>	<i>September 2019</i>
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can be purchased on this account using the relevant business card. A purchase order must be filled in stating that this account was paid via the business account for OSHC. Monthly invoices are sent to the school for payment.

Resources, equipment and goods required for the day to day operation of the OSHC Service, can be purchased in line with the annual OSHC budget limits. Any items that are in addition to the annual budget request or over \$1000 need to be approved by the OSHC sub-committee and school council for approval.

**Staff Provisions**

Staff provisions will be accounted for through monitoring finances, and the Management Sub-committee will ensure that provisions are reflective of current service staffing structure. These provisions include annual leave, sick leave, relief staff, long service leave, leave loading, and staffing increases. The School Council will ensure the staff provisions account holds enough monies for payment for existing staff costs at all times.

**This policy should be read in conjunction with:**

General Service Information

Payment of Fees Policy

Record Keeping & Confidentiality Policy

**Sources & Legislative References**

<i>A New Tax System Act 2000 (Cwlth) – Family Assistance Administration</i>
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<i>The Child Care Service Handbook</i>
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