

# ALBERT SAILING CLUB

## FINANCIAL DELEGATIONS POLICY

### Purpose

This policy provides guidance to the Albert Sailing Club committee and club members as to how we safeguard the funds that we manage by stipulating delegated authorities and financial limits for club expenditures.

By managing our finances well, we provide accountability to our members for the use of organisational funds and to funding bodies or donors for the funds they have provided.

### Principles

- A delegation of authority is allocated to a position, not to the individual in that position.
- The position authorising the expenditure will ensure that: all policies and procedures are followed; the expenditure is for Sailing Club activities; and that funds are available before any invoices are approved for payment.
- All expenditures of club funds, apart from recurring transactions as detailed below, will be approved by any two people from the list of designated signatories.
- Club members may not approve any payments made to them as individuals (for example, a reimbursement)
- The approved expenditure limits set out in this policy document should be determined by the full committee prior to adoption of this policy. They may be reviewed by the committee from time to time.

### Bank/Cheque Signatories and Electronic Authorisations

The bank signatories and those with electronic access to transfer funds via the bank account will be the following positions:

- Treasurer
- Commodore
- Secretary
  - Any other Flag Officer(s) or Committee member as approved by the Committee.
  - During any period of changeover of authorised signatories, any other person as approved by the Committee.

Cheques must be signed by two of the above positions and all electronic payments shall be authorised by two of the above signatories.

- Other club members as approved by the Committee may be granted “View Only” access to the bank account for administrative actions.

### Delegated Authorities

To increase the efficiency of making payments and ensuring that our members, suppliers and other external parties are paid in an appropriate and approved manner, the Committee delegates authority for financial expenditures as follows:

#### Recurring Transactions

- Transactions of a recurring nature (eg electricity and gas charges, telephone and internet accounts) may be deemed to be ‘pre-authorised’ by the Committee. Prior to such ‘deemed

approval', the relevant supplier must first be approved by the Committee and then entered on to the list of approved recurring expenditures. This list of approved suppliers shall be retained electronically and made available to the committee and any external approved person as required (eg an external accountant or auditor).

- Recurring expenditures may be set up to be automatically paid from the bank account by Direct Debit or a cheque may be drawn by the Treasurer without prior Committee approval.
- When processing recurring transactions into the club financial system, the Treasurer shall ensure that each transaction is within budgetary limits and is of an amount relative to previous payments made to the same supplier. The Treasurer shall investigate and rectify any significant variation in a recurring transaction and shall refer any such variation to the committee for action if appropriate.

### **The Treasurer**

- Has responsibility for monitoring recurring transactions as set out above
- May draw and sign a cheque or set up for electronic payment any amount up to *Expenditure Limit 1* which is due for payment and is within the limits established by the annual budget.
- The Treasurer shall then either forward the cheque to a second signatory for signing and mailing or request a second authorised person to approve the amount electronically.

### **Treasurer and Flag Officers**

- The Treasurer, with prior approval of the Commodore or other flag officer, may draw and sign a cheque or set up for electronic payment any payment that is within the limits established by the annual budget up to an amount of *Expenditure Limit 2*. The name of the person approving the payment shall be noted on the invoice or other supporting documentation.
- The Treasurer shall then forward the cheque to a second signatory for approval or request a second authorised person to approve the amount electronically.

### **Commodore**

The Commodore may approve any payment that is outside the approved budget up to an amount of *Expenditure Limit 1*. Any such payment shall be reported to the next meeting of the Committee.

### **Flag Officers:**

In the absence of the Treasurer two Flag Officers may set up and approve payments within the limits set out above.

### **General Committee**

Any amount which exceeds *Expenditure Limit 2* or is outside the scope/amount of the approved annual budget and has not been approved by the Commodore shall be approved by a majority of members of the general committee prior to the payment being made.

### **Club Members**

Club members may incur expenditure up to *Expenditure Limit 3* on the club's behalf from time to time and seek reimbursement from the club. Permitted expenditure items are limited to:

- Fuel for boats
- Supplies for the galley and bar
- Stationery supplies including printing
- Sundry items for boat and property maintenance
- Statutory Licence and Registration fees

Any amounts exceeding *Expenditure Limit 3* require prior approval from the Treasurer or Flag Officers within the guidelines specified above.

<b>Version Control</b>		
<b>Version Number</b>	<b>Date of Release</b>	<b>Changes in this version</b>
1 and 2		Initial Version approved by the Committee 14.5.2019

**Expenditure Limits:**

Expenditure Limit 1: \$500  
Expenditure Limit 2: \$1500  
Expenditure Limit 3: \$250