



Finance Policy and Procedure Manual

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Introduction

The Burnside Heights Football Club (BHFC) Financial Policy and Procedure Manual provides the policies and procedures for financial transactions within the business which must be followed by all staff. It also provides guidelines BHFC will use to administer these policies, with the correct procedure to follow.

BHFC will keep all financial policies current and relevant. From time to time it will be necessary to modify and amend some sections of the policies and procedures, or to add new procedures.

Any suggestions, recommendations or feedback on the policies and procedures in this manual are welcome.

These policies and procedures apply to all committee members and volunteers of BHFC.

Finance Authorisation Policy

Policy Number: FAP001

Policy Date: 18 December 2023

Purpose of the Policy

All finance transactions as noted in this policy are to be authorised by the noted authorised person prior to the transaction being undertaken.

This policy is to be read in conjunction with other specific finance policies where relevant.

Procedures

Prior to any of the following finance transactions being undertaken, the authorising person noted must authorise the transaction.

Where additional policy is noted, this policy must also be adhered to when undertaking the finance transaction.

Finance Transaction	Authorised Person	Additional Policy
Bank Accounts	President, Treasurer, Secretary	
Issuing Petty Cash	President, Treasurer, Canteen Manager	
Business Credit Card	President, Vice-President, Treasurer, Canteen Manager	
Authorising New Customers	President, Treasurer	Registration Fee and Player Transfer
Authorising New Suppliers	President, Vice-President, Treasurer, Canteen Manager, Merchandise Manager	
Purchasing Stock	President, Vice-President, Treasurer, Canteen Manager, Merchandise Manager	
Purchasing Assets/ Equipment	President, Treasurer	

Finance Transaction	Authorised Person	Additional Policy
Debt Collection	Treasurer	Registration Fee and Player Transfer
Payment of Invoices	President, Treasurer	
Creditor Payment Terms	Treasurer	
Player Payment Terms	President, Treasurer	
Trainer / Canteen Payment Terms	President, Treasurer	

Bank Account Policy

Policy Number: BAP001

Policy Date: 18 December 2023

Purpose of the Policy

This policy sets out the requirements for use of bank accounts, including opening, closing authorisation, variations to terms and conditions, reconciliation of bank accounts and bank account transactions.

Procedures

Opening Bank Accounts

Any new bank accounts to be opened for the business must have the authorisation of the President and Treasurer.

For each new bank account opened, the financial system must be updated, and the bank account registered by the Treasurer.

Bank Account Authorisations

For monies withdrawn from any bank account, whether by cheque, EFT or other online payment method, there must be at least two persons to authorise payments being the President, Treasurer or Secretary authorising each payment.

The authorised persons for bank account payments are:

President

Treasurer

Secretary.

Each payment made must be supported by invoice, receipt or other appropriate documentation and the authorisations must be attached to this documentation prior to payment.

Variations to Bank Account Terms and Conditions

Any variations to banking arrangements can be made or varied by at least two persons being President, Treasurer or Secretary is responsible for updating the financial system and/or bank account register with the new information.

Closing Bank Accounts

Where it is decided that a bank account is no longer necessary, at least two persons being the President, Treasurer or Secretary will authorise the closure of the bank account.

The Treasurer will then be required to complete the following:

- ensure all transactions with respect to the account (including cheques drawn) have been completed;
- lodge with the bank a letter, signed by at least two persons being the President, Treasurer or Secretary authorised signatories advising of the closure of the account;
- meet the bank's requirements with respect to account closure; and
- update the financial system and bank account register.

Bank Account Transactions

All deposits received must be banked within 5 working days from receipt.

Unallocated direct deposits of more than two months will be investigated fully to determine source of deposit. Where the source cannot be identified, the deposit will be allocated to other.

Petty Cash Policy

Policy Number: PCP001

Policy Date: 18 December 2023

Purpose of the Policy

Petty cash should be used to pay for business expenses up to maximum amount of \$400 where payments through accounts payable or credit card are not justified or appropriate.

Procedures

Issuing Petty Cash

Petty cash receipts must be lodged in xero to verify cash taken from the petty cash float.

All petty cash receipts issued must be approved by President, Treasurer or Canteen Manager.

Once the petty cash is spent, a receipt or invoice should be attached to the payment and returned to petty cash with any balance of monies unspent.

All completed receipts must have the following details included:

- issue date
- name of person
- amount of monies disbursed
- details of expense
- tax invoice or receipt
- signature of approval person.

Reconciling Petty Cash

Petty cash float is to be reconciled at least monthly.

All petty cash expenditure must be entered into the financial system once the petty cash has been reconciled.

Reimbursement of petty cash will be authorised by the Treasurer / President.

Use of Business Credit Card Policy

Policy Number: BCCP001

Policy Date: 18 December 2023

Purpose of the Policy

This policy provides guidelines for the issue and use of business credit cards.

Procedures

A committee member will only be issued a credit card once the Credit Card Authorisation Form has been completed.

The business credit card can only be used for authorised expenditure up to the value of the limit on the card.

No cash advances are to be taken using the business credit card unless authorised by Treasurer.

Where a business credit card is lost or stolen, then the owner of this card is to notify Treasurer who is responsible for notifying the issuing agency and ensuring the card is cancelled.

The use of the business credit card is not to be used for personal expenses.

All holders of business credit cards are required to reconcile the monthly credit card statement to the expense form, attach all receipts for payments made on the credit card and have the expense statement authorised by Treasurer.

The completion and authorisation of the monthly expense statement is undertaken via Xero accounting software for payment of the credit card statement.

All business credit cards are to be returned to the business when the person is requested to by the Treasurer or where they cease to be a committee member with the business.

New Supplier Policy

Policy Number: NSP001

Policy Date: 18 December 2023

Purpose of the Policy

All new suppliers to the business must be reviewed and accepted in accordance with this policy to ensure that the supplier service is aligned with the business objectives.

Procedures

Choosing a New Supplier

A new supplier must provide our business with quality product, great service, competitive pricing, efficient delivery etc.

For each new supplier the following information table must be completed prior to agreeing services.

Supplier Selection Background Information

Business Name of Supplier: _____

Location of Supplier: _____

Products/Services provided by supplier: _____
(Attach a list if necessary)

Name of business owner/ sales representative: _____

Appointment of Supplier

The appointment of a new supplier will be authorised by President, Vice-President, Treasurer or Canteen Manager.

All relevant details of the supplier will be entered into the financial system by Treasurer once approval is obtained.

Treasurer will review information entered into the financial system and independently verify the bank account or other payment details of the supplier to ensure payments made are to the correct supplier.

Supplier Payment Terms

Purchases from suppliers can be supported by a purchase order.

Payment terms for all suppliers must be reviewed and approved by the Treasurer and at least reviewed once a year. Following this review each supplier must be approached to seek improved payment terms by Treasurer.

All supplier payment terms must be a minimum of 21 days to pay, except for:

- Player payment terms are 7 days
- Trainer payment terms are 7 days
- Or as otherwise negotiated

Any variation to the above must be authorised by Treasurer.

All supplier payments are to be reviewed by the Treasurer to ensure that payment terms are adhered to.

Additional Policies for Suppliers

Purchasing Policy

Stock Control Policy

Purchasing Policy

Policy Number: PURCH001

Policy Date: 18 December 2023

Purpose of the Policy

This policy provides guidelines for the purchase of goods, services, equipment and assets for the business.

Procedures

Request for Purchase

Purchases for business items can be requested through a purchase order.

A request for purchase must address the following criteria:

- value for money
- preference to Australian/ locally produced.

All purchase orders must be authorised by one of the following persons:

Items Purchased	Persons Authorised	Second Authorisation
Canteen Stock	Canteen Manager	President, Vice-President
Merchandise	Merchandise Manager	Treasurer
Equipment	President	Treasurer
Assets	Treasurer	President

Equipment Asset Purchases

All equipment and asset purchases must be entered in the financial system by Treasurer with the following details included:

- date of purchase
- supplier
- make, model, warranty/guarantee information.

Service Agreements

All agreements for the provision of services is to abide by this policy.

Receipt of Purchases

All purchases received are to be checked against purchase order and noted as correctly supplied.

Once correct receipt has been recorded, this will be recorded on purchase order and forwarded to accounts payable for payment of purchase.

Additional Policies for Purchasing

Petty Cash Policy

Use of Business Credit Card Policy

Stock Control Policy

Stock Control Policy

Policy Number: SCP001

Policy Date: 18 December 2023

Purpose of the Policy

This policy provides guidelines for monitoring and managing the amount of stock within the business to ensure that there are suitable levels of stock available to customers at all times. This policy covers canteen and merchandise stock.

It is the Canteen Manager who is the recommended stock manager responsible to ensure that the stock control policy is adhered.

Procedures

Purchase of Stock

It is Canteen Manager and President responsibility to:

- 1) identify core stock and ensure that appropriate levels are held at all times
- 2) monitor all stock levels and 'stock turn' (how many times stock turns over in a year)
- 3) for fast-moving stock negotiate with suppliers for 'just in time' deliveries where possible
- 4) regularly review sales budgets and order necessary stock in line with budgets
- 5) negotiate with suppliers for best price, quality, delivery methods and returns policy
- 6) order all stock required
- 7) maintain "preferred suppliers" list
- 8) keep up to date with customer and market trends and seek out new products for recommendation to the Canteen Manager.

Purchase of all stock must be authorised by Canteen Manager or President.

All stock purchases can be requested by using a purchase order form and adhere to the purchasing policy.

Receiving Stock

When stock is received from the supplier, it is Canteen Manager responsibility to:

- review delivered items to delivery docket, including quantity, quality and completeness of order
- match delivery docket to purchase order
- follow up and ensure correct stock order will be received where there is under/over-supply, damaged goods etc.
- store the stock securely and in appropriate area
- update all stock records for receipt of goods
- inform President of any under/over supply or damaged goods.

Managing Stock

It is Canteen Manager responsibility to:

- identify core stock and ensure that appropriate levels are held at all times
- monitor all stock levels and stock turns
- regularly review sales budgets and ensure that stock is ordered in line with budgets
- understand each stock item – which items are the fast and slow moving stock
- monitor re-order levels and ensure orders are placed in adequate time to reduce non-availability of core or necessary stock items
- ensure that all stock items are priced
- meet regularly with President to co-ordinate stock purchases, review stock performance, and sales performance
- ensure that all canteen volunteers are aware of new product, price changes and procedures for accurate recording of all stock movements
- ensure that there are adequate controls (physical and administrative) in place to minimise theft and/or waste of all stock items
- organise and oversee physical stock take once a year and match records of stock take to administrative and financial records.

Additional Policies for Stock Control Policy

Purchasing Policy

Finance Authorisation Policy, New Supplier Policy

Policy as at 18 December 2023

V1.0

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New Customer Policy

Policy Number: NCP001

Policy Date: 18 December 2023

Purpose of the Policy

All new customers to the business must be reviewed and accepted in accordance with this policy.

Procedures

Choosing a New Customer

A new customer must support our business with good credit quality, prompt payers, etc.

For each new customer the following information table must be completed prior to agreeing services.

Customer Background Information

Business Name of Customer:

Location of Customer:

Products/Services required by customer:
(Attach a list if necessary)

Name of business owner/ sales representative:

Appointment of Customer

The appointment of a new customer will be authorised by Treasurer.

Each new customer will have a credit limit set. This credit limit will be set in accordance with the Customer Credit Limits policy.

All new customers must be given a New Customer Letter which must be signed and returned by the customer before any sales are to take place.

All relevant details of the new customer will be entered into the financial system by Treasurer once approval is obtained from Treasurer.

Treasurer will review information entered into the financial system to ensure all information is correct.

Customer Credit Terms

All customer payment terms must be 14 days, or as otherwise agreed.

Where a customer has requested longer payment terms than the policy, this should be referred to and authorised by Treasurer.

All customer payments are to be reviewed at least once a quarter to ensure that payment terms are adhered to.

Additional Policies for Customers

Customer Credit Limits Policy

Customer Debt Collection Policy

Customer Service Policy

Customer Credit Limit Policy

Policy Number: CCLP001

Policy Date: 18 December 2023

Purpose of the policy

This policy is to make sure a customer doesn't get too far into debt with you without a payment plan being put into place or work stopped.

Procedures

Reports on customer credit must be run at least monthly.

When a credit limit is breached all relevant staff will be notified. This includes President and Vice-President.

Any current outstanding orders should be stopped until the breach in the credit limit has been rectified. All volunteers working on the order or sale for the customer should not carry out further work until authorised by Treasurer.

Review outstanding orders and sale history

If the customer has a large number of orders outstanding or has increased the volume of orders since the last credit review, then a review of the credit limit must be undertaken.

This is the responsibility of Treasurer.

If the credit limit needs to be increased, this must be approved by Treasurer. Once this has been approved, all volunteers working on outstanding orders must be notified to restart the customer's orders.

Credit limit is breached due to outstanding payments

Treasurer must make a list of all outstanding payments.

Treasurer may ring the customer and explain that further orders cannot be processed until the account has been paid.

If the customer is having difficulty, make a schedule of payments to bring them back in line with their credit limit.

Get the signoff of Treasurer before discussing this option with the customer.

If they cannot pay on the day of the phone call, then get an expected payment date from them and confirm that any outstanding orders cannot start until the payment is made.

Review payment terms for the customer

If the customer has increased the volume or value of orders since the last credit review, the payment terms must also be reviewed by Treasurer.

Where large orders are being placed then the payment terms should include deposit on order and/or progressive payments for each order. This must be discussed and agreed with the Treasurer.

Customer Debt Collection Policy

Policy Number: CDCP001

Policy Date: 18 December 2023

Purpose of the Policy

This policy provides guidelines for the collection of late payments from customers.

Procedures

An aging debtor report is to be run every week. All overdue customer payments are to be noted and the following procedures undertaken until recovery of outstanding amounts.

- **First Contact:** Once the payment is overdue, phone or email the customer. Remind them that payment is due and has not been received. Ask them when they will be paying and keep a record of the conversation or email. Remember to be nice, they may have forgotten or paid into the wrong bank account.
- **Overdue reminder:** If they do not respond to the phone call or email, try contacting someone else in the business. Let them know who you are trying to contact. This often results in a return response from either the person you were trying to contact or someone else from the business. Make a note of all conversation details on the overdue customer payment record.
- **Final notice:** When a payment is overdue for 90 days here a final notice is to be sent either by phone or email. A record of this notice must be entered onto the overdue customer payment record
- **Direct contact:** Where there has been no response to the final notice within 30 days here then Treasurer must either visit the customer or phone where previous contact has been by email. The purpose of this step is to secure a date of payment. A record of this notice must be entered onto the overdue customer payment record.
- **Formal letter of demand:** Where payment remains outstanding 90 days and there has been an unsatisfactory response from the customer, authorisation from President for the formal letter of demand to be issued must be obtained. Once authorised this letter is to be sent via registered mail and a record of this notice must be entered onto the overdue customer payment record.

- **Debt collection agency:** Where the amount outstanding is in excess of \$2k and President and Treasurer has approved, a debt collection agency is to be appointed to recover the debt.
- **Write off debt:** Customer payments that remain outstanding upto 180 days are to be written off as bad debts and no further sales are to be undertaken with that customer without approval from Treasurer.