



POLICY

Drafted by	J. Briscoe	Approved by Board on	June 2018
Date Drafted	June 2018	Scheduled review date	June 2021

Bank Accounts and Banking Arrangements

Purpose

To outline Valley FM's (VFM) banking account and banking arrangement requirements and management.

Policy

VFM maintains bank accounts for general service funds and contingency purposes with Bendigo Bank. Surplus funds are invested in short term fixed interest deposits with Bendigo Bank.

VFM shall have a minimum of two and maximum of four signatories to its bank accounts. Signatories will be reviewed and as necessary updated. Any change of signatories shall be approved by the Board and noted in Board Meeting minutes.

The Treasurer will maintain a list of bank accounts that will include for each account:

- Branch location
- Account type, account number and BSB
- The name of the bank contact person
- The date on which the account was opened and closed
- Interest rates and fees, and
- Rollover dates/renewal dates for term deposits and investment accounts.

All funds received must be banked as soon as is practicable. No cash may be kept on VFM premises.

Accounts payable must be approved with the signatures of two Board members.

Access to internet banking and EFT transfers is controlled by a bank-issued User ID token and personal password, both of which must remain confidential and under no circumstances be divulged to anyone else.

Cheques, when used, will be prepared by the Treasurer and signed by two signatories.

Any expenditure incurred will be paid by VFM cheque account or electronic funds transfer (EFT).

Expenditure for equipment or replacement goods/assets for \$500 or less may be incurred by Directors or Project Managers without the prior authorisation of the Board. Amounts over must have prior Board approval.

Expenditure for amounts of \$1000 or less may be incurred by the President and Treasurer without the prior authorisation of the Board.

Expenditure for amounts above \$1000 must be approved by the Board prior to the expenditure being occurred. Receipts for all expenditure must be provided to and retained by the Treasurer.

In the event of a need to urgently expend funds above \$1000 prior to the next planned Board meeting, such expenditure may be incurred by the President with the written authorisation of the Treasurer. Expenditure in these circumstances must be reported to the next Board meeting and noted in the Board Meeting minutes.

Signatories should not authorise payments which involve a conflict of interest, e.g. the authorisation of payment that is a reimbursement for their own expenses.

Signatories can only authorise payments to themselves for expenses incurred on behalf of VFM if a separate receipt is provided and if the Board has authorised this type of expenditure in the past e.g. office supplies, cleaning materials.

Valley FM Compliance Obligations

The Board is responsible for the development, implementation, operation and review of this policy. Compliance with the policy is also the responsibility of all Board Members.

Legislation Framework

N/A

References

Valley FM 9.5. (2018). Financial Policies. VFM Policy Manual 2018.