

Financial Management Procedure

1. Purpose

- 1.1 This procedure outlines the process for financial management of Perth Bible College.

2. Scope

- 2.1 This procedure applies to all staff of Perth Bible College.

3. Responsibility

- 3.1 It is the responsibility of the Principal for the implementation of this procedure.

4. Definitions

<i>FEE-HELP</i>	A loan scheme to help eligible students pay their tuition fees. Australian citizens and holders of a permanent humanitarian visa are eligible for FEE-HELP assistance.
<i>Prepaid Fees</i>	Tuition fees paid before a course commences.

5. Procedure

Processing Expenditure/Payments

- 5.1 Approval to incur expenditure:
 - 5.1.1 Ultimate approval to incur expenditure rests with the Board who may delegate levels of financial authority and responsibility to various employees.
 - 5.1.2 No expenditure of College funds is to be incurred or committed unless:
 - 5.1.2.1 Authorisation has been received by the delegated person/s,
 - 5.1.2.2 The proposed expenditure is appropriate for College purposes,
 - 5.1.2.3 The expenditure incurred is in line with the approved budget and the College’s policies and procedures.

- 5.2 Processing of payment invoices:
 - 5.2.1 The College Administrator verifies that the invoice is:
 - 5.2.1.1 For authorised expenditure
 - 5.2.1.2 That the invoice is for the correct amount, and
 - 5.2.1.3 That the goods or service/s have been provided.
- 5.3 Payments:
 - 5.3.1 All invoices, wherever possible, are paid in full on time.
 - 5.3.2 The College Administrator determines the priority and scheduling of payments of invoices taking into account the supplier's payment terms and the College's cash position at the time.
 - 5.3.3 Cheques and/or electronic transactions are to be prepared by, or under direction of, the College Administrator. The payment is presented to an authorised second signatory for signing or authorisation. Supporting documentation (invoices etc.) is made available for inspection prior to authorisation.
 - 5.3.4 After payment, invoices are filed in payment date order with other invoices for the year. Documentation is kept in a secure place for not less than seven years.

Invoicing – Accounts Receivable

- 5.4 The College Administrator is responsible to ensure tuition fees and other fees are invoiced as soon as practicable after enrolment documentation is received. The fees are outlined in the published Fee Schedule.
- 5.5 The College Administrator is responsible to ensure accommodation fees are invoiced in accordance with the accommodation contract and that utility fees are invoiced in the month the utility invoices are received. The accommodation fees are outlined in the published *Accommodation Fee Schedule*.
- 5.6 Miscellaneous and ancillary items, such as textbook sales, are invoiced as appropriate.
- 5.7 The College Administrator is responsible to make every reasonable effort to ensure funds are received at the appropriate time.

Receiving Monies

- 5.8 Payments are accepted in cash, cheque, money order, EFTPOS, or credit card. Payments may also be made direct to the College's account by bank transfer.

- 5.9 Upon receiving monies, the payments are to be recorded directly into the college accounting system against the invoice being paid or, if the transaction cannot be entered at that time the receiver of the money shall either:
- 5.9.1 Process the electronic payment and include details of the transaction and store the original in the cash drawer and give the copy to the payer or
 - 5.9.2 If the payment is not by electronic payment a hand written interim receipt shall be issued to the payee pending processing in the college accounts.

Banking

- 5.10 Cash and cheques are banked as soon as practicable after receipt.

Protection of Prepaid Fees

- 5.11 Tuition fees paid by students more than one semester in advance shall be transferred to the College's Prepaid account and preserved until the amount becomes current. When the fees become current the amount is then transferred to the general operating account.
- 5.12 FEE-HELP amounts, received from Department of Education and Training which are in advance of the current semester, are preserved in the Prepaid account until the commencement of the semester.

Salary Payments

- 5.13 Salaries are paid to staff monthly on or about 15th of each month for the current month as per the employment contract for that employee.

Enrolment Reconciliation

- 5.14 To verify that students have been correctly invoiced and enrolled (both financially and academically) an internal cross-check reconciliation is undertaken each census date after the enrolment period by the College Administrator.

Audit Trail

- 5.15 All transactions shall have documentation (tax invoices etc.) showing details of the transaction. Supporting documentation for all receipts and payments and other records are kept provide a comprehensive audit trail. These records and files are available for inspection and audit purposes as required.

Filing, Archiving and Destruction of Records

- 5.16 All supporting documentation and financial records in hard copy are filed in a locked facility.
- 5.17 Computer records are backed up daily and a copy is taken off-site at least once each week. Computer files are protected by password only known to the authorised appropriate staff and the systems administrator.
- 5.18 Records are archived in a locked storeroom.
- 5.19 Financial records (accounts and supporting documents) are kept for a minimum period of seven years after which they are destroyed (shredded).

Financial Mismanagement

- 5.20 If at any time a staff member detects financial mismanagement, the process outlined within the *Fraud and Mismanagement Policy* and accompanying procedure must be followed.

6. Procedure Information

Date first approved: 28/03/2014	Date of effect: 28/03/2014	Date last amended: 17/08/2021	Date of next review: 17/08/2022
Approved by		Board of Management	
Authorised Officer		College Administrator	
Supporting documents, policies & forms of this procedure		<i>Financial Management Policy</i> <i>Fraud and Mismanagement Policy</i> <i>Fraud and Mismanagement Procedure</i> <i>Accommodation Fee Schedule</i>	
Related Legislation and Codes of Practice		<u>Higher Education Standards Framework 2015, Part A: Standard 6</u> <u>Tertiary Education Quality and Standards Agency (TEQSA) Act 2011</u>	
Audience		Public	

7. Version History

Review Table			
Date	Review Type <ul style="list-style-type: none"> • Scheduled • Policy amendment • Admin update 	Summary of Changes	Review person/group
28/3/14	Initial Issue		Adam Niven, David Smith, BoM
14/2/18	Scheduled		David Smith
06/08/2019	Policy amendment	New template and amendments made.	Natalie Tierney Capital Review Group consultant
17/08/2021	Admin Update	Changed Authorised Officer to College Administrator.	Chris Burton