

**WODEN EARLY CHILDHOOD CENTRE**  
**FINANCIAL PROCEDURES (PETTY CASH AND EXPENDITURE)**  
**POLICY**

**POLICY STATEMENT:** Major purchases are made at the directors discretion – there may be consultation with the Treasurer or Book keeper on larger purchases over \$1000.00. Each room is allocated \$100 petty cash that they may use on small purchases of consumable supplies. It is expected that this amount will last the room for 2 months.

This policy supports inclusive practices at Woden Early Childhood Centre. Please refer to the Inclusion Policy.

**RATIONALE :** Woden Early Childhood centre recognises the importance that all stakeholders have a clear understanding of financial procedures.

**SCOPE:** This policy applies to all families with children attending the Centre and all Staff including students and volunteers.

**RELEVANT LEGISLATION:** Centre based children's Services Conditions August 2000 1.17j),

**QUALITY ASSURANCE SYSTEM:** Quality Improvement and Accreditation System Quality Practices Guide. 2005 principle 7.2

**LOCATION OF INFORMATION:** This information is made available to all families and staff during the orientation process. It is included in the CD Policy given to each family and staff member on orientation as well as being mentioned in the family handbook and staff handbook. Printed copies can be made available on request for those families without computer access.

**Linking Policies:**

Excursions  
Inclusion

**POLICY REVIEW**

This policy is reviewed on a biannual basis both by the centres staff and then by families. Once the Policy has been reviewed and changes are made it goes to the management committee for ratification. Please refer to the Policy development and review policy.

Date endorsed by Committee: 24.3.09

Date to be reviewed: 4.3.10

## **PURCHASING OF GOODS AND SERVICES**

The following procedure details the operational guidelines for the purchasing of goods and services:

- On recognising the need to purchase goods/services the Director or designated person completes an "application to purchase goods/services" form (as per attachment) detailing the goods/services required.

The Director on receipt of the application form should:

1. Consider the need for the goods/services required identify appropriate account and contemplate budgetary implications.
2. Identify if Order is valued less or more than \$200.00.
3. If less than \$1000.00 and within the budget go ahead with purchase.
4. If more than \$1000.00 present to the next Management Committee meeting for discussion.

NOTE: Before authorising the purchase of goods the Director must consider the classification of such goods as follows:

- ASSET - Identified by two criteria:
  1. Is valued at \$500.00 or more
  2. Is considered durable and retains a residual value to the Centre over time.
- NON CONSUMABLE - an item which is less than \$500.00 in value but by its nature is durable and retains a residual value over time. Such items of equipment must be at the time of purchase identified and added to the relevant inventory list.
- CONSUMABLE - an item, which by its purpose and composition rapidly loses its value and must be fully replaced within a relatively short time. Such items do not appear on inventories or asset registers.

Items purchased and registered as an "Asset" must be recorded as such on the Asset Register at the time of receipt of invoice and a "Non-Consumable" must be added to the appropriate inventory list.

NOTE: The Director and other designated persons are authorised to undertake purchases without an application form subject to the following:

- Telephone orders to milk, fruit and vegetable vendors are to be documented by the Director or designated person such as the cook.
- Grocery items purchased by the cook must identify amount spent.

## **PAYMENT OF INVOICES**

The bookkeeper when processing creditors must ensure that all necessary details have been completed and that all appropriate papers are pinned together - invoice duplicate order and application slip plus ensure that all necessary information is recorded on the cheque requisition slip in preparation for making out cheques ready for payment.

## **QUOTES AND TENDERS**

The Director is responsible for the co-ordination of quotes and tenders for the following goods/services:

- Individual items in excess of \$2000
- Maintenance and repairs in excess of \$1500
- Items in excess of \$25 000

Accordingly if purchasing or submitting equipment for repair as outlined above, a minimum of two quotes must be obtained.

Purchasing of individual items in excess of \$25 000 may require tenders to be called

## **EXPENDITURE WHILST ACCOMPANYING CHILDREN**

There should be a planned schedule of excursions and activities, with estimated costs that are within budget limit.

The Centre will carry some of the cost of transportation and fees, eg cinema ticket

If meals are to be provided for the excursion, the centre will provide it for all adults attending the excursion. Food prepared for children for daily meal/snack times is not meant to replace employee's responsibility for providing their own meals. If any of the children's food is "left over" - staff may consume so as to model appropriate eating/table behaviour for the children

## **PETTY CASH**

The Centre adopts the basic principle that all accounts should be paid by cheque. An exception however, is made to avoid the expense and inconvenience of writing many small cheques for necessary minor expenses.

- Individual staff purchases must not exceed \$100.00, this would be the whole amount of the room's petty cash. Should the situation arise where more than \$100.00 be needed, then approval must be sought from the Director this should not be seen as a normal practice.
- Every room will be given \$100.00 petty cash approximately every two months it is the room leaders responsibility to ensure all dockets are kept and that the room petty cash form is completed and reconciled
- Expenditure must be made in line with Annual Budget allocations and be consistent with day to day program needs
- Reimbursement cheques will be issued after checking all relevant documentation.
- Guidelines, as follows, must be followed in the preparation of Petty Cash
  - a) All dockets must be attached to vouchers
  - b) Any missing docket must be noted on the petty cash form
  - c) Total of accounts must be summarised and reconciled

Details of expenditure e.g. excursion; pool entrance fee for 12 children; food; etc must be noted on the petty cash form, voucher or docket. Items i.e. Newsagency, Butcher, Supermarket, without any detail are unacceptable.

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## **SECURITY AND STORAGE OF MONEY**

### **PROCEDURE**

The following procedures have been developed for the Woden Early Childhood Centre Child Care Centre:

- Director will maintain a locked petty cash tin for holding petty cash float (key to be held by the Director or in their absence the qualified worker nominated as 2IC).
- Any staff monies collected should be put in a secure location each night.
- Money collected for private staff phone calls should be dealt with in a secure way

Director and staff should:

- Ensure windows and doors are securely closed and locked at the end of each day  
Report any maintenance requirement;
- Ensure security lights/night lights are working;
- Ensure no monies are left on desks or close to doorways i e in easily accessible places;
- Advise Director/Police of any suspicious activity around the centre by unknown persons;
- Ensure toolboxes are stored away and not able to be used should a break-in occur;
- Should a break-in occur an incident report should be completed;
- Ensure there are signs up in the centre indicating there are no cash or valuables on the premises



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