|  |
| --- |
| **SAMPLE EXPENDITURE POLICY** |

*\*\* Please note: This document is designed to guide your committee to think about and formalise the steps you take when expending playgroup funds. This template can be adjusted to fit your playgroups needs and the process your committee decides is the right fit for your playgroup. It is suggested you table this document and discuss/ vote on it at the first committee meeting of every year.\*\**

# **Purpose**

To ensure transparency and accountability in relation to playgroup expenditure and to provide guidelines for committee members on how and when expenditure can occur.

# **Scope**

This policy applies to all members, volunteers and the Management Committee at {insert playgroups name here}.

# **Policy Statement and Principles**

{Insert playgroups name here} Playgroup aims to provide accountability to its members and transparency in financial transactions and management of the playgroup. The policy also aims to provide protection for committee members and others authorised to expend playgroup funds.

# **Procedures**

\*\* The following are a list of suggested steps to approve expenditure, these can be adjusted to suit your playgroups needs\*\*\*

*Expending playgroup funds*

* All expenditure requests should be tabled and discussed prior to expending funds at committee meetings. The decision is to be recorded in the meeting minutes including the amounts authorised to expend.

*This process allows for transparency, accountability and democratic voting process to expenditure of playgroup funds. It ensures the playgroup committee maintains responsibility of expenditure of playgroup funds and protects those committee members spending playgroup funds, as the committee have voted and agreed prior to expenditure.*

*Pre- Authorised expenditure*

* The committee may vote at the beginning of the year to pre- authorise expenditure for certain items such as utility bills, and morning tea consumables or for urgent maintenance expenditure (eg replacing a broken lock). The committee must vote on a maximum amount they approve to expend on pre-authorised items.

**Example 1:** If your playgroups power bills totalled $378.00 in 2022, you could motion “ That playgroup committee approve up to $400 as pre-authorised expenditure on electricity for 2023”.

**Example 2:** “That the playgroup committee approve up to $500 as pre-authorised expenditure towards urgent maintenance required to ensure safety of playgroup building and members in 2023”.

* This pre-authorisation allows the treasurer the ability to pay regular bills or urgent bills without tabling at a committee meeting first. In the case of pre-authorised urgent bills, this process is designed to be used in the case of last resort, where a committee meeting can’t be pulled together in time to respond to the need.
* These items must be tabled at the first meeting possible to ensure that all committee members are aware of the expenditure.
* For amount exceeding this pre-authorisation OR items not approved in the pre-authorisation the items need to be tabled and voted on at a committee meeting prior to expenditure.

*Urgent and unexpected expenditure*

* For other urgent expenditure that arises between meetings and that ***cannot wait*** until the next scheduled meeting, and is not covered under at ‘pre-authorised expenditure item’, an urgent committee meeting should be convened, if possible, to discuss the issue and vote on expenditure.
* The meeting could be face to face or by video link technology. The meeting must be completed in ‘real time’ which excludes emails, texts and or messaging options.
* It is important to check your constitution for minimum quorum numbers for these meetings.
* These items must be tabled at the first meeting possible to ensure that all committee members are aware of the expenditure.