

NSPA Bank Signatories Policy

April 2013

1. **Purpose**

To provide a clear policy for all signatories for the North Shore Playcentre Assoc Inc. and Account Manager (here after called signatures) of the North Shore Playcentre Association's (here after called the NSPA) bank accounts , property processes and any other documentation where the signature is required.

2. **List of Signatories**

NSPA must maintain a list of current signatories and authorised persons. Signatories are President, Treasurer and Secretary/Licensee. The administrator status will be held jointly by the Treasurer and President. They will be responsible for ensuring all signatures meet the criteria below (Pt 4). The Accounts Manager will be responsible for ensuring all documents are maintained, reviewed and updated. These documents must be stored at HQ for audit purposes (can be kept electronically).

3. **Personal Obligations and Liabilities**

- NSPA must ensure reasonable care is taken to prevent fraud and/or misuse of the NSPA's funds. For this reason the NSPA has agreed that no more than \$60,000 in total, can be withdrawn from one or more of the NSPA's bank accounts within any given 24 hour period unless the bank is notified in writing prior to the payment being made. (e.g. bulk funding payments are loaded via fax directly to the Bank).
- Any two signatories must sign together, for the bank transaction to be authorised. Signatories may be required to perform other obligations imposed under general law in relation to the account. (e.g signing cheques, opening new accounts and any other instructions in the normal course of business). All documents signed by the signatories must be held at HQ (documents older than 2 years, may be stored at the NSPA offsite storage) for seven years in align with the currently audit practices.
- The Account Manager has the right to view accounts, upload/download batches and statements. They do not have authority to approve any payments nor do they have any personal liability for amounts owing.

4. Administration

Adding New Signatories

All signatories must be added within 20 days of appointment. Signatories must sign a declaration form and provide identification documentation that meets the requirements under the Code of Banking Practices and the Financial Transactions Reporting Act 1996. (e.g. Passport, Photo Drivers Licence, Student ID). Copies of these documents must be held at Headquarters (HQ) for audit purposes.

Removing Signatories

Upon Human Resources (HR) receiving the resignation of any signatory their access rights must be removed within 1 month. This period may be shortened at the discretion of the President. The NSPA has the right to remove any signatory's authority **effective immediately**, in the event of misuse or illegal activity. All bank tokens and passwords must be returned to Human Resources (HR) at this time. In the case of the Treasurer being added or removed the President will act as administrator, and vice versa.

5. Declaration

I have read and understand the above policy and procedures. I will operate the NSPA's bank accounts in accordance with this policy. If found in breach of this policy, it may lead to disciplinary action being taken in accordance with the relevant NSPA policies and procedures.

Name:

Position:

Date:

NSPA Bank Authority Policy

General payments – 20th of the month

General payments are any payments generated in the normal course of business (Creditors payments due on the 20th of the month following). All invoices must be authorised by the Convenor which initialised the product or service. The unauthorised invoices will be placed into the Incoming Invoices and Expense Claims to be Approved Folder on the table at HQ, under each Convenor's sub section. Once the invoices have been physically authorised they are placed in the front of the folder for collection and processing by the Account Manager. Where possible, invoices are also verified by the instigator of the invoice if not a Convenor, i.e. HQ resources can be signed by the Operation Managers.

The Account Manager will collect the authorised documents no later than the Tuesday before the 20th of the month and load them into MYOB. As part of this process all the bank account details and amount due will be highlighted to assist the signatories, in the case where the invoice does not state payees bank account details, the Account Manager will contact the payee for this information and note the information on the invoice.

All batches will be exported directly from MYOB into the internet banking system, printed and filed in date order, in the Accounts Paid folder – to be held at HQ.

No later than 12.00 pm (noon) on the 20th of the month, the Treasurer and/or any other signatory will meet with the Account Manager and cross check the bank accounts and amounts paid to the banking system. The signatories must initial all the printouts to show they have sighted and agreed with the payment being made. Invoices will not be accepted for payment without payees bank account details attached. Once the signatories have confirmed all the amounts and bank details they must log into the banking system and authorise each batch. The Treasurer (or other designated signatory) will alert all signatories by text when authorisation is due.

Wage/expense claims for payment – due every second week

The timesheets and expense claims (claim forms) **must** be signed by the employee. Documents to support the employee's claim **must** be attached. Claim forms must include IRD numbers and bank account details, in which the payment is to be made. Completed claim forms are put in the Incoming Invoices and Expenses Claims to be Approved Folder on the table at HQ, under each Convenor's sub section to await authorisation.

All claim forms must be checked and signed by the Convenor. Once the claim forms have been physically authorised they are placed in the front of the folder for collection and processing by the Account Manager.

(Exception: Education staff timesheets are processed through the Education Support Administrator at HQ, and the Education Support Administrator's summaries are forwarded to Account Manager for processing)

The Account Manager will collect the authorised claim forms on the Tuesday before payday and load them into MYOB Payroll. As part of this process all the bank account details and amounts due will be highlighted to assist the signatories, in the case where the claim does not state payees bank account details, the Account Manager will contact the payee for this information and note the information on the claim.

Timesheets will be filed in date order in the timesheet folder held at HQ. The batches will be exported directly from MYOB payroll into the internet banking system, printed and filed in date order, by batch in the timesheet folder.

No later than 12.00pm (noon) on a given paydate, the Treasurer or any other signatory will meet with the Account Manager and cross check the bank accounts and amounts paid to the banking system against the original invoices and timesheets. The signatories must sign and name all the printouts to show they have sighted and agree with the payment being made. Claims will not be accepted for payment without payees bank account details attached.

The signatory who sighted and cross checked the batch payment sheets with the original invoices and time sheets must be one of the online authorising signatories.

Once the signatories have confirmed the amounts and bank details they must log into the banking system and authorise each batch. The Treasurer (or another designated signatory) will alert all signatories by text when authorisation is due. The authorising signatories must email the Accounts Manager the time and day of authorising for the Association records. The Treasurer will be copied in. In the event that the Treasurer is not one of the signatories involved they must delegate the communication role to another signatory and the above process followed.

Property Payments

For all property projects that are applied for through the property pool, or using the Centre Project Application form, the following process must be followed. In ALL cases a completed and signed Project Balance sheet must be put in the invoice folder before any invoices relating to the project will be paid. The PBS will have been approved by the Project Approval Team (the Association Asset Convenor, Secretary/Licensee and Treasurer) and in the case of all projects over five thousand dollars, by the Management Team as well. The individual invoices will be checked alongside the Project Balance Sheet. If there are any issues the payment will not be authorised and the invoice will be returned to the Treasurer as representative of the Project Approval Team.

Emergency payments

Emergency payments are in exceptional circumstances and for this reason a copy of the original invoice must be emailed directly to the Account Manager for immediate authorisation and payment. The same email must be cc'd to all the

signatories. The email (including attachments) must include full name of the 3rd party receiving the payment, the amount due and the bank account number.

The Account Manager will use details given in the email to load the payment required into MYOB. The batches will be exported directly from MYOB into the internet banking system printed and filed in date order, by batch, in the Accounts Paid folder held at HQ.

The Account Manager will then email the signatories directly, to their personal email accounts, requesting authorisation, followed by a text message to the Convenor who requested the emergency payment. The signatories can cross check the batch against the original email and authorise the payment.

Signatories have two working days to log into the internet banking system and authorise the payment for release. The Treasurer (or another designated signatory) will alert all signatories by text when authorisation is completed.

Risk – what happens when the system fails

If two signatories fail to log in and authorise a given payment/batch then:

- **Payment drops off the banking system** and the 3rd party is not paid, and the NSPA could be in breach of any contractual agreements relating to the payment (eg building projects). The Account Manager is not notified of this until the end of the month when the accounts are reconciled or the creditor enquires into their payment. The payment must then be reloaded into the internet banking system.
- **Employees are not paid.** We are not notified of this until the end of the month when the Account Manager reconciles the accounts or the employee enquires into their payment. The payment must then be reloaded into the internet banking system. This breaches of employment agreements.

The Treasurer (or-another designated signatory) will ensure that two signatories have authorised payment by email, phone or text.

Policy Accepted:	Management Team Meeting April 2013
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