

HSU WA BRANCH

POLICY AND PROCEDURES

Financial Management Policy and Procedures

Policy Approval Date:	20th May 2019
Approved by:	HSU WA Branch Committee of Management
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Version No:	V1.1
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Is this a Rule 89 Policy?	Yes
Scope:	This policy and procedures, or parts of this policy and procedures have application to all HSU WA Branch employees and members of the WA Branch Committee of Management as appropriate
Purpose:	This policy and procedures are established to assist the Branch Secretary, the Branch Finance Committee and the Branch Committee of Management in overseeing all aspects of the financial management and operation of the WA Branch including financial risk management strategies and financial policies and procedures.

Policy Statement

HSU WA Branch employees and officers are expected to uphold the integrity of the Union in the highest manner when undertaking their duties and in their undertakings with members, employers, outside organisations and suppliers.

- HSU WA Branch employees and officers must behave honestly and with integrity in the course of their employment or duties.
- HSU WA Branch employees and officers must disclose, and take reasonable steps to avoid, any conflict of interest (real or apparent) in connection with Union employment or duties.
- HSU WA Branch employees and officers must not make improper use of inside information or use their duties, status, power or authority in order to gain, or seek to gain, an improper benefit or advantage for themselves or for any other person.
- HSU WA Branch employees and officers must at all times observe The Financial Responsibilities of Officers as determined by the Rules of the Union.

1. Definitions

‘Financial Controller’ means the person appointed to manage and operate the financial accounts of the Union on a day to day basis and appointed as such by resolution of the WA Branch Committee of Management.

‘Officer’ whether paid or not, has the same meaning as the phrase ‘officer of an organisation’ in Division 3A of Part 2 of Chapter 5 of the Act, and includes the Branch Officers referred to in sub-rule 40(a) and the members of the WA Branch Committee of Management determined by rule 41

‘Branch Finance Committee’ means the committee established pursuant to Rule 75.

‘Branch Secretary’ also includes a person appointed to act in that position by the Branch Committee of Management in accordance with rule 49(b) of the Registered Rules of the Union.

‘The Act’ means the *Fair Work (Registered Organisations) Act 2009*.

‘State Union’ means the Health Services Union of WA (Union of Workers) registered under the provisions of the *Industrial Relations Act 1979* (WA Act)

2. **Relationship between the HSU WA Branch and the State Union**

2.1 Since the foundation of the WA Branch in September 1992, the State Union has funded the operation of the Branch.

2.2 In order to satisfy the Regulatory Compliance Branch of the Fair Work Commission that the WA Branch is a going concern, on the 20th September 2013, the State Union provided the Branch with evidence, in the form of a letter of undertaking, of its agreement to continue to fund the operations of the Branch.

2.3 The letter contains the following resolution of the State Union's Committee of Management:

“Having considered the letter received from the HSU WA Branch President dated 19 August 2013 and receiving reports from the Secretary and Assistant Secretary, this meeting resolves that the Health Services Union of WA (Union of Workers) [the State Union] will continue to fund the operations of the HSU WA Branch by way of transfer of sufficient funds from time to time and/or the provision of staff and other resources sufficient to meet the cost of:

1. *Capitation Fees as set by the National Council of the Federally registered Health Services Union (the National Union), including the Branch's share of ACTU Affiliation fees and levies;*
2. *Directly servicing members of the Branch;*
3. *Travel, accommodation and related expenses incurred by Officers and representatives of the Branch in conducting its business, including expenses incidental there to;*
4. *Incidental expenses reasonably incurred in running the Branch, such as*
 - a. accounting and audit fees,*
 - b. legal fees and costs directly incurred in conducting the business of the Branch, and*
 - c. reasonable entertainment expenses,*

Provided that the question as to what is or is not a reasonable incidental expense is at the sole discretion of the State Union;

5. *Special requests for other expenditure, on a case by case basis, at the sole discretion of the State Union.*

Other than the above, the State Union will not pay anything else and accepts no liability for any cost, liability or expense howsoever incurred by the WA Branch, including expenses imposed on the Branch whether as a direct decision of the National Union or as direct or indirect consequence of being a Branch of the National Union.

The State Union undertakes to consult with the WA Branch should it become necessary to alter or cease this undertaking and in any event will give at least three months written notice of such/any alteration or cessation.

- 2.4 The Financial Management Policies and Procedures adopted by the State Union shall apply as appropriate to WA Branch employees and officers.

3. Branch Finance Committee – Composition and Meeting Frequency

- 3.1 By resolution of the Branch Committee of Management on 20th May 2019 the Branch Finance Committee shall be comprised of:

- Branch Secretary, Dan Hill
- Branch President, Cheryl Hamill (Chairperson)
- Branch Senior Vice President, Brendan McKernan
- Branch Junior Vice President, Suvi Bird
- Branch Trustee, David Shaw

- 3.2 The Branch Finance Committee shall meet in conjunction with each meeting of the Finance & Executive Committee of the State Union and in any event at least quarterly.

4. Opening and closing of accounts in the Name of the WA Branch

- 4.1 Financial institution accounts in the name of the WA Branch may only be opened or closed by resolution of the WA Branch Committee of Management.
- 4.2 As of this version of the Financial Management Policy and Procedures, the only authorised accounts in the name of the WA Branch are:
- Commonwealth Bank Society Cheque Account

5. Financial Institution Accounts in the Name of the Union

- 5.1 The Authorised User of all accounts shall be the Branch Secretary. The signatories to the Account will be the Branch Secretary (or in his or her absence the Branch Assistant Secretary) together with any two members of the Branch Committee (rule 53 (c)).

6. Signing of Cheques

- 6.1 Cheques will be signed by the Branch Secretary and two other members of the Branch Committee.

- 6.2 Cheques will only be prepared by the Financial Controller with the prior written approval of the Branch Secretary.
- 6.3 The Branch Secretary must sign a cheque first to indicate that sub clause 6.2 has been complied with.
- 6.4 Under no circumstances are blank cheques to be pre signed.

7. Electronic Funds Transfers

- 7.1 Bank procedures for Electronic Funds Transfers (EFTs) must be set up in such a way that it is not possible for one individual to begin and complete an EFT transaction.
- 7.2 EFTs will only be prepared by the Financial Controller with the prior written approval of the Branch Secretary.
- 7.3 Once an EFT is authorised by the Branch Secretary, it may then be uploaded for payment on CommBiz ready for authorisation.
- 7.4 All EFT's must be authorised by the Branch Secretary, and two other members of the Branch Committee.
- 7.5 EFT reports will be examined by the Branch Secretary and initialled to confirm that they are the same as the transaction that was approved.

8. Keeping of Financial Records

- 8.1 It is the responsibility of the Branch Secretary to ensure that all records regarding financial transactions, including records evidencing authorisation of those transactions and including MYOB data files, are retained for 7 years as required by subsection 252(5) of the Act.

9. Compliance and Review of this Policy

- 9.1 A substantial or repeated breach of this policy by a Branch officer or Branch employee covered by the scope of this policy will be deemed to be a disciplinary offence, in the case of a Branch employee, or misconduct under the rules of the Union, in the case of a Branch officer.
- 9.2 By June each year, the Branch Finance Committee will undertake a review of the operation of this Policy and Procedures to ensure that the policy is adequately regulating the financial governance of the Branch and that the policy is being fully complied with and report the findings of the review in writing to the Branch Committee.
- 9.3 The Branch Finance Committee and the Branch Committee will each have a standing 'Governance Issues' agenda item for each meeting to provide a regular forum for the discussion of union governance issues.

- 9.4 The Branch Secretary will ensure that all relevant policies and procedures are made available to Branch officers and Branch employees and that appropriate training (including an induction process) is offered to ensure they understand the union's financial policies and procedures and their own responsibilities.

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