
ARANDA AFTERS ASSOCIATION INCORPORATED



GOVERNANCE AND FINANCE POLICY

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1 REFERENCES

NATIONAL QUALITY STANDARDS

6.1.2	Families have opportunities to be involved in the service and contribute to service decisions.
6.2.1	The expertise of families is recognised and they share in decision making about their child's learning and wellbeing.
7.1.1	Appropriate governance arrangements are in place to manage the service.
7.3.1	Records and information are stored appropriately to ensure confidentiality, are available from the service and are maintained in accordance with legislative requirements.
7.3.2	Administrative systems are established and maintained to ensure the effective operation of the service.
7.3.3	The Regulatory Authority is notified of any relevant changes to the operation of the service, of serious incidents and any complaints

NATIONAL REGULATIONS

168	Education and care services must have policies and procedures
177	Prescribed enrolment and other documents to be kept by approved provider
181	Confidentiality of records kept by approved provider
181-184	Confidentiality and storage of records

2 AIM

Our service will meet its legal and financial obligations by implementing appropriate governance practices that support our aim to provide high quality child care that meets the objectives and principles of the National Quality Framework, the National Quality Standard and the Early Years Learning Framework.

3 IMPLEMENTATION

SERVICE STRUCTURE

Aranda Afters Association Inc. has the following organisational structure.

3.1 The Approved Provider is: - ARANDA AFTERS ASSOCIATION INCORPORATED

Aranda Afters is managed by a parent committee that is elected annually at the Aranda Afters Annual General Meeting.

- 3.2 The executive members of the Committee who have management and control of Aranda Afters are the:
- PRESIDENT; and
 - SECRETARY
- 3.3 The approved provider has a range of responsibilities prescribed in the Education and Care Services National Law and Regulations, including keeping accurate records and retaining them for specified timeframes. Our approved provider is also responsible for:
- Ensuring the financial viability of the service
 - Overseeing control and accountability systems
 - Supporting the Nominated Supervisor / responsible person/Certified Supervisors in their role and providing resources as appropriate for the effective running of the service.
- 3.4 Our Nominated Supervisor is the: - DIRECTOR
- The Nominated Supervisor is responsible for the day to day management of our service and has a range of responsibilities prescribed in the national law and regulations.
- 3.5 Our Certified Supervisors are the: - DIRECTOR; and
- ASSISTANT DIRECTOR
- 3.6 Our Educational Leader is the: - DIRECTOR
- 3.7 Our Program Managers are our: - PROGRAM COORDINATORS AND PROGRAM SUPERVISOR

4 COMMITMENT TO GOOD GOVERNANCE

Our service has adopted the following Australian Stock Exchange [ASX] Corporate Governance Principles and Recommendations, which we recognise as suitable for our scope of operation.

A full copy of this document is available at: <http://www.asx.com.au/documents/asx-compliance/cgc-principles-and-recommendations-3rd-edn.pdf>.

ENSURING SOUND FOUNDATIONS FOR MANAGEMENT AND SERVICE OVERSIGHT

MANAGEMENT PRINCIPLES

To ensure our working relationships are characterised by open and respectful communication, accountability and trust our service adheres to the following management principles.

a) Management by Agreement

- 4.1 Nominated Supervisors and educators agree to produce outcomes together. Educators agree on their accountabilities and to work according to existing procedures and policies. Nominated Supervisors agree to provide educators with training, resources and support.

b) Management by Exception

- 4.2 Once a system is in place, or the Nominated Supervisor and educators have agreed upon a course of action, the educator is accountable for identifying and reporting whenever something significant occurs that isn't part of the service's plan or in accordance with service policies and procedures.

c) Clearly Defined Reporting Relationships

- 4.3 All staff at the service have one primary manager who is the Director. This reduces confusion and increases accountability and transparency in the operation of the service.

The leadership team at the service is comprised of the:

- Director
- Assistant Director
- Program Coordinators
- Program Supervisor

- 4.4 Information, requests, or delegations that would cause our educators/staff to take action or change the course of their actions will only come from the person to whom they report.

Our reporting relationships are:

- The Nominated Supervisor reports to the Approved Provider.
- The Certified Supervisor in day-to-day charge of the service, if a different person to the Nominated Supervisor, reports to the Nominated Supervisor.
- Program Coordinators report to the Nominated Supervisor.
 - The Nominated Supervisor has the authority to communicate information about the work and to direct the activities of other members of the leadership team.
- Educators report to the senior member of staff on duty in their rostered area of duty.

d) Guidelines for Effective Delegation

- 4.5 Our service will:

- Identify the work/result to delegate and to whom staff will not delegate responsibilities for which they are accountable or work/results that have been delegated to them with their agreement or work/results attached to someone else's position (unless that person has agreed).
- Put the delegation in writing with a clear due date.
- Discuss the delegation with the educator/staff member whenever possible.
- Get the staff member's agreement (eg: through signed job descriptions, signed delegation agreements).

- 4.6 The person who delegates remains accountable for making sure the right result is achieved.

e) Guidelines for Effective Regulation

4.7 Regulating work practices means monitoring, reviewing, and adjusting them to get the right result. Our service will:

- Review work processes regularly.
- Give quick, clear, and direct feedback and instruction that is timely and specific.
- Communicate in writing – through policy development and upgrades; written communication to families; and written communication to staff.
- Avoid under-regulating; over-regulating; and holding unnecessary meetings.

ENSURING AN EFFECTIVE SERVICE STRUCTURE

To comply with these principles to the best of our ability and to ensure we discuss issues and potential changes to policies, procedures or the regulatory environment, we will schedule regular meetings of, and effective communication between, our Committee and Management Team.

PROMOTING ETHICAL AND RESPONSIBLE DECISION-MAKING

Our service will make decisions which are consistent with our policies, our obligations and requirements under the national education and care law and regulations, our approved learning framework [My Time Our Place – MTOP] and the ethical standards in our code of conduct.

SAFEGUARDING INTEGRITY IN FINANCIAL REPORTING

Our financial records will be reviewed by an independent auditor annually.

MAKING TIMELY AND BALANCED DISCLOSURES

Unless there is a risk to the health, safety or well-being of a child enrolled at the service, our service will provide at least 14 days' notice before making any change to a policy/procedure that may have a significant impact on our provision of education and care or a family's ability to utilise our service, including making any change that will affect the fees charged or the way fees are collected.

4.8 Our service will:

- Advise the regulatory authority of any required notifications including any change to the person designated as the Nominated Supervisor no later than 14 days after the change.
- Develop a Quality Improvement Plan that is reviewed and updated regularly; is available on request; and is ready for submission to the Regulatory Authority when requested.

RESPECTING THE RIGHTS OF STAKEHOLDERS, PARENTS AND CHILDREN

4.9 Our service will support and encourage the involvement of parents and families by:

- Developing and implementing plans to ensure regular communication with families including advice about events, activities and policy updates.

- Enabling them to have access and provide input to reviews of policies and procedures.
- Providing space for private consultations.
- Providing and displaying a range of information about relevant issues.
- Ensuring we develop staff knowledge of, and capacity to follow, all policies and procedures.

4.10 Our service will respect the rights of children by ensuring:

- The Nominated Supervisor complies with their responsibilities under the national law and regulations.
- We follow our policies and procedures including the Relationships with Children Policy, Child Protection Policy and Privacy and Confidentiality Policy.
- Our children are provided with the experiences and learning which allows them to develop their identities, well-being and social connection.

RECOGNISING AND MANAGING RISK

Our service will take every reasonable precaution to protect children from harm and any hazard likely to cause injury.

We will follow service policies including those covering Workplace Health and Safety, Child Protection, Excursions and the Delivery and Collection of Children and complete regular risk assessments and safety checks.

REMUNERATING FAIRLY AND RESPONSIBLY

We will ensure staff are paid in accordance with the provisions of the Children’s Services Award and recognising their expertise, experience and quality of contribution to the service.

5 BUDGET

- 5.1 The Director, in conjunction with the Treasure and senior staff at Aranda Afters, is responsible for developing and submitting an annual budget to the Committee for approval.
- 5.2 The Aranda Afters Committee is responsible for approving and implementing an annual budget for Aranda Afters.
- 5.3 The Treasurer is responsible for monitoring the financial operations of Aranda Afters during the financial year by:
 - Providing regular reports to the Committee and the Director;
 - Assisting the Director to manage the financial operation of Aranda Afters; and
 - Ensuring the Aranda Afters accounts are audited on an annual basis in preparation for the Annual General Meeting.

6 FINANCIAL DELEGATION RISK MANAGEMENT STRATEGIES

The following factors need to be considered in the establishment of financial delegations and responsibilities:

- Notifying, in writing, of delegation levels to any affected employees, committees and teams.
- Establishing a register, available to the public, of delegations that demonstrates who is acting on delegated authority and for what purpose.
- Ensuring that the delegations system provides for automatic reporting of decisions made under delegated authority.
- Ensuring that the delegation system includes processes to:
 - verify whether a delegation is current;
 - check that temporary delegations are properly authorised, notified, recorded and archived; and
 - remove delegations that are no longer needed and store superseded delegations for future reference.
- Reviewing delegations regularly to ensure that they are appropriate to the capabilities, qualifications and needs of the positions to which they apply.
- Introducing a process to audit and review the performance of delegated functions and ensure compliance with operating procedures.
- Establishing a system to check that financial payments are processed and that the:
 - person approving the payment has delegation to do so; and
 - delegated officer has not been involved in a transaction they authorised.

7 FINANCIAL DELEGATIONS

Delegates must observe the following when exercising their delegated financial authority to incur expenses or make payments on behalf of Aranda Afters:

BUDGET LIMITATIONS

Delegations relating to expenditure of any kind can only be exercised within the limits of approved budgets. There is no authority to incur expenditure unless there is an approved source of funds.

Prior to the authorisation of a purchase order or any other instrument that provides for the expenditure of money, the Delegate must be satisfied that funds will be available within the appropriate Aranda Afters budget allocation to meet the account when it is received for payment.

VARIATION OF ORIGINAL COST

Where there is an increase in the cost of an acquisition from the original commitment, the Delegate giving the original approval must also approve the supplementary amount.

If the new amount exceeds the Delegate's level of Delegation of Authority then another Delegate with the appropriate level of Delegation of Authority must approve the transaction.

COMMITMENT DECISION IS THE WHOLE LIFE OF THE CONTRACT

Where a contractual commitment extends over time then, for the purposes of determining the appropriate authorisation level, the value is for the life of the contract or commitment at the time the commitment is made.

For example, the approval level of a five-year contract or lease is determined by the total five-year expected outlay.

COMMITMENTS CONSISTENT WITH FUNDING AND LEGAL AGREEMENTS

Commitments made by Delegates must be consistent with any specific funding conditions and any other relevant legal agreements.

FINANCIAL TRANSACTIONS CANNOT BE MANIPULATED

Financial transactions cannot be manipulated to accommodate a particular Delegate's financial delegation limit, for example by splitting transactions (see below) or incorporating deductions or trade-ins.

SPLITTING TRANSACTIONS

The splitting of transactions is not permitted. The exercise of a Delegation of Authority must relate to the whole transaction not to parts of it.

For example, it is not possible to approve the payment of instalments for the acquisition of an item where the total cost is above the financial limit held by the Delegate.

ACQUISITION OF GOODS OR SERVICES

A contract or order for the acquisition of goods and/or services, either purchased or leased, from supplier should be consistent with the following guidelines:

- Achieving value for money.
- Ensuring probity and accountability for outcomes.
- Purchasing appropriate goods and services to satisfy Aranda Afters' requirements in the current year and the future.
- To integrate (where possible) sustainability principles and practices into procurement processes.

APPROVAL IN FAVOUR OF A MORE SENIOR DELEGATE

A Delegate cannot approve accounts for payment in favour of a more senior financial Delegate.

DELEGATES SHALL NOT APPROVE ACCOUNTS FOR PAYMENT TO THEMSELVES

Delegates must not approve accounts for payment to themselves, or to their spouse, de-facto partner, child, brother, sister, parent or any other relative, or payments to associated companies or businesses without obtaining approval and a counter signature from a more senior financial Delegate.

GRANTING OF A CREDIT CARD IS NOT A FINANCIAL DELEGATION

Transactions made using a credit card must be authorised by a Delegate holding the appropriate financial delegation.

AUTHORISATION OF A PAYMENT

All payments made by cheque by Aranda Afters require two signatories.

8 DELEGATE'S RESPONSIBILITIES

A Delegation of Authority represents a significant responsibility for those who hold it.

Delegates must exercise care and diligence when carrying out their Delegations of Authority. This Policy does not relieve Delegates from their duty to be fully conversant with the source materials which affect them and which give the context and rationale for the exercise of their powers.

Delegates always remain responsible for making the decision.

Delegates must observe all the principles in this Policy.

Delegates can only act within the limits of their Delegation of Authority.

BREACH OF DELEGATIONS

A breach of the provisions of this Policy or the Delegations Framework may be regarded as misconduct or serious misconduct and may be subject to disciplinary action.

A breach of delegations will be considered and dealt with in line with the provisions of the Aranda Afters Code of Conduct.

AUDITING OF DELEGATIONS AND AUTHORISATIONS

The exercise of Delegations of Authority and authorisations will be subject to periodic review by the Committee.

REPORT MISUSE OF DELEGATIONS OR AUTHORISATIONS

Staff members who believe that a Delegation of Authority or authorisation has been improperly exercised should refer the matter to the President who will investigate and act according to the outcome of the investigation.

9 AUTHORISATION BANDS

Delegations of Authority are based on the business needs of Aranda Afters.

Standard financial delegations of authority will be based on the approved Schedule of Authorisation Bands endorsed by the Aranda Afters Committee.

The Authorisation Bands list the positions that hold financial delegations. The position titles in each authorisation band apply to positions listed and/or their equivalent.

SCHEDULE OF AUTHORISATION BANDS

Authorisation Band	Authorised Person(s)
Amounts above \$2000.00 – not approved in the annual budget	Committee (either at a Committee Meeting or otherwise a minimum of three Committee Members)
Amounts up to \$2000.00 – not approved in the annual budget under exceptional circumstances	Director (or delegate)
Amounts up to \$500.00 – not approved in the annual budget under exceptional circumstances	Assistant Director
Items approved in the Annual Budget	Director and/or Assistant Director
Program operational expenses	Director and/or Assistant Director and/or Program Coordinators.

10 SOURCES

- Education and Care Services National Regulations 2011
- National Quality Standard
- Early Years Learning Framework
- ASX Corporate Governance Council – Corporate Governance Principles and Recommendations
- Independent Commission Against Corruption [ICAC]; NSW – Corruption Prevention Advice