

UMSU Financial Controls Policy

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| Effective date | May 2025 |
| Review Date | May 2028 |
| Policy Owner | CEO |

1. Purpose

- 1.1 The purpose of this Policy is to:
 - 1.2 Ensure that all expenditures made in the name of the organisation are authorised and appropriately reviewed.
 - 1.2.1 Guard against any potential abuse of payments procedures, while maintaining flexibility and avoiding unnecessary formality.

2. Scope

- 2.1 This policy applies to all staff, elected student representatives, and volunteers and contractors engaged by UMSU.

3. Policy Statement

- 3.1 Financial transactions carried out in the name of UMSU must be completed strictly in accordance with the UMSU *Financial Regulations* and are governed by the following principles.
- 3.2 No payments may be made via UMSU unless such payment has been authorised in accordance with the UMSU *Financial Regulations*.
- 3.3 Payment authorisation must be done strictly in accordance with UMSU's *Financial Regulations*.
- 3.4 Inclusion in approved budget allocation or authorisation of payment through the correct protocol does not override coexisting obligations, operational parameters and policies, for example, appropriate health and safety considerations.
- 3.5 Complete records of payment authorisation should be kept on file.
- 3.6 The Students' Council, through the CEO and the Chief Financial Officer, will have access to UMSU's bank statements, accounts, books and records as required.
- 3.7 No single person will have the authority to carry through all end-to-end processes in their entirety, including budgeting, authorisation, payment, and approval, to do with:
 - 3.7.1 payment
 - 3.7.2 approval of a supplier
 - 3.7.3 approval of an agreement or contract with an external party
 - 3.7.4 loan from UMSU's funds

- 3.8 contract of employment.
- 3.9 Any person who has an actual or potential conflict of interest in respect of any:
 - 3.9.1 payment
 - 3.9.2 approval of a supplier
 - 3.9.3 approval of an agreement or contract with an external party
 - 3.9.4 loan from UMSU's funds
 - 3.10 contract of employment

must declare that conflict of interest to Students' Council and either comply with any Students' Council direction or withdraw from involvement in the transaction.

- 3.11 All payments (except credit card and cash payments) require signatures (or equivalent validations) from two persons with properly delegated authority, as recorded in the Financial Delegations Register.
- 3.12 Financial transaction cards may only be issued to a person approved by the CEO.
- 3.13 Processes involving procurement and the use of UMSU credit cards must be conducted strictly in conformity with the UMSU *Procurement and Use of Credit Card Policy & Procedures*.
- 3.14 An additional control is the use of University of Melbourne staff and systems to administer UMSU's Accounts Payable, payroll, profit and loss statements, credit card reconciliation and other financial processes, including reporting and assistance with independent audit processes.

4. Financial Controls Procedures

- 4.1 It is the responsibility of the Students' Council to:
 - 4.2 Approve an annual organisational operating and capital expenditure budget for UMSU and authorise variations to the budgeted financial result (loss or surplus) that properly considers the advice of the CEO.
 - 4.3 Authorise expenditure as required and set out in the Constitution and the UMSU *Financial Regulations*.
 - 4.4 Oversee, assess and appropriately maintain the financial position of the organisation.
- 4.5 It is the responsibility of the CEO to ensure that:
 - 4.6 Advice is provided to Students' Council to appropriately maintain the financial position of the organisation at the budget and mid-year review and otherwise as required.
 - 4.7 Procedures consistent with the UMSU *Financial Regulations* and the supporting financial control, fraud and risk policies are implemented.
 - 4.7.1 Staff and volunteers are aware of this policy and these procedures.
 - 4.8 The Financial Delegations Register is maintained by the Chief Financial Officer and UMSU finance staff.
 - 4.8.1 Any breaches of this policy or procedures are dealt with appropriately.
- 4.9 It is the responsibility of all staff, elected student representatives, and contractors to ensure that any payment made on behalf of the organisation conforms to the

UMSU *Financial Regulations* and this policy and any related policies or procedures.

- 4.10 Financial transaction card issue and use must be conducted strictly in accordance with the Umsu [Procurement and Use of Credit Card Policy & Procedures](#).
- 4.11 Bank accounts may only be opened in Umsu's name, or to hold Umsu's funds, when authorised by a person with the appropriate authority as recorded in the Financial Delegations Register.
- 4.12 Any variations to banking arrangements can only be made by a person with the appropriate authority as recorded in the Financial Delegations Register.

5. Asset Management

- 5.1 All purchases of equipment must be dealt with in accordance with Umsu's *Financial Regulations, Asset Policy* and the Umsu *Investment Policy*, including advice sought from the CEO or CFO prior to the purchase of equipment to ensure it complies with Umsu policies and procedures.
- 5.2 All assets and equipment must be purchased via Umsu staff to ensure they are recorded in a central Umsu Asset Register and stored in a secure and appropriate place that is noted in the Asset Register.
- 5.3 Use of any Umsu assets or equipment is logged to track each item and return and any damage or required maintenance may be undertaken by Umsu staff.
- 5.4 Any sale, disposal or decommissioning of equipment or assets is undertaken by Umsu staff in liaison with the Umsu finance department.

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| Approver | CEO and Students' Council |
| Responsibility for Implementation | <ul style="list-style-type: none"> • CEO • CFO • President |
| Definitions | <ul style="list-style-type: none"> • An asset is any item owned or purchased by Umsu that has ongoing value to Umsu and can be used to support its operations, provide services, or generate income. This asset will sit on the asset register, which is a detailed list of all assets owned by Umsu, which is designed to track, monitor, and protect these items for ongoing future Umsu use. • CEO is the Chief Executive Officer of Umsu. • CFO is the Chief Financial Officer of Umsu. |
| Related Policy and Procedures | <ul style="list-style-type: none"> • Umsu <i>Asset Policy</i> • Umsu <i>Complaints Policy</i> • Umsu Conflicts of Interest Policy • Umsu <i>Corporate Governance Policy</i> • Umsu <i>Finance, Audit & Risk Policy</i> • Umsu <i>Fraud Risk Management Policy</i> • Umsu <i>Investment Policy</i> |

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| | <ul style="list-style-type: none"> • UMSU Procurement and Use of Credit Card Policy & Procedures • UMSU Workplace Conduct Policy |
| Related documents | <ul style="list-style-type: none"> • UMSU Constitution • UMSU Council Charter • UMSU Financial Regulations • UMSU Enterprise Bargaining Agreement or equivalent |
| Status | Final – in force |

Change Table

| Version # | Issue Date | Amendment Details | Approval Date | Approved By |
|----------------------|-------------------|------------------------------|----------------------|-------------------------|
| 1.Consultation Draft | March 2025 | First iteration | - | - |
| 2. Final Policy | May 2025 | Definition of asset included | 16 May 2025 | CEO & Students' Council |