



**ROTARY AUSTRALIA WORLD COMMUNITY SERVICE LTD
(RAWCS)**

Procedural Instructions

May 2019

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1 Introduction

Rotary Australia World Community Service Ltd (RAWCS) is the trustee of the Rotary Australia Relief Fund (RARF) and has two subdivisions, the Rotary Australia Benevolent Society (RABS) and the Rotary Australia Overseas Aid Fund (RAOAF). Collectively, these entities and their agents operate under the control and guidance of RAWCS.

The following report will provide Rotary Australia World Community Service Ltd (RAWCS) with a framework of procedural instructions in relation to the major financial risk areas within the organisation. The purpose of this framework is to provide RAWCS personnel with a formal set of procedures to follow in order to ensure major financial risks are reduced to an acceptable level.

Each major risk area is documented separately with clear step by step instructions as to best practice controls relevant to that area Please note that this report is not exhaustive and only deals with the more important matters.

This report should be utilised as a base for procedural instructions and additional procedures in relation to other areas of the management of RAWCS will be added if considered appropriate. The procedures within this report should be continuously reviewed by RAWCS to ensure they remain appropriate in today's ever-changing environment.

The Following is a summary of the major risk areas:	
Ref	Major Risk Area
2. Payments	
2.1	General and Administration Payments
2.2	Project Payments
2.3	Acquittal of Project Funds
3. Receipts	
3.1	Committed Donation Receipts
3.2	Unknown Donation Receipts
4. Bank Reconciliations	
4.1	Bank Reconciliations

Payments

2.1 General and Administration Payments

Objective:

To ensure all administration payments are accurately recorded, appropriately authorised and paid.

Procedure Instructions:

- 1 The internal check stamp must be applied to all invoices to be paid. Invoices for administration payments must be recorded in MYOB as soon as practical after being received, ensuring they are allocated to the correct code, General ledger code should be noted on the invoice in the internal check stamp.
2. Upon entry into MYOB the National Administrator or delegate must initial the invoice as entered to ensure invoices are not entered twice.
3. The EFT should then be prepared by the National Administrator or delegate and supporting documentation emailed to the appropriate CommBiz authorisers. Authorisers will review invoices and general ledger codes prior to authorising.
5. All EFT payments under \$5,000 require only one authorisation whilst all payments over \$5,000 require a minimum of two authorisations.
5. Once authorisation[s] has been made, CommBiz automatically remits the payment.
6. Ensure all supporting documentation throughout this process is maintained, including the invoices, cheque stubs, bank transfer forms and authorisation documents.

2.2 Project Payments

Objective:

To ensure all payments made out to specific projects are accurately recorded, appropriately authorised and paid.

Procedure Instructions:

1. Request for project payment to be made by the RAWCS Project Manager to the National Administrator or delegate via a signed payment voucher, detailing the date, amount requested, project name and number and purpose.
2. Upon receipt of the payment voucher the National Administrator or delegate must ensure the project has the funds available for the request prior to authorising the payment by reviewing the specific project code reports within MYOB. The project unspent funds prior to making the payment must be entered in the internal check stamp
3. The payment must then be entered into MYOB ensuring the correct project code is used. General ledger code should be noted on the invoice.
4. The EFT should then be prepared by the National Administrator or delegate and forwarded to the appropriate CommBiz authorisers, Authorisation will include review of payment vouchers, invoices and general ledger codes prior to authorising.
5. All EFT payments under \$5,000 require only one authorisation whilst all payments over \$5,000 require a minimum of two authorisations,
6. Once payment is made the payment vouchers and/or invoices should be marked as 'paid' to ensure double payments are not made,
7. Ensure all supporting documentation throughout this process is maintained, including the payment vouchers, cheque stubs, bank transfer forms and authorisation documents.
8. All project payments made through this process must go through the Acquittal of Project Funds' process as described in 2.3.

2.3 Acquittal of Project Funds

Objective:

To ensure all project funds have been spent in accordance with the purpose of the project they have been provided for.

Procedure Instructions:

1. Once the request for funds has been processed and the funds have been received, as per 2.2, the RAWCS Project Manager is fully accountable to RAWCS for the appropriate utilisation of the funds. Details of all subsequent expenses incurred in relation to the project need to be retained.
2. For each expense incurred on the project an invoice or other supporting documentation must be obtained where possible.
3. The invoices or other supporting documentation must then be acquitted back to the RAWCS Project Manager.
4. A summary of the amount acquitted should be prepared by the RAWCS Project Manager and form part of the electronic project six monthly report to the RAWCS National Project Manager
5. The RAWCS National Project Manager or delegate must then review and sign off on all acquittal summaries and supporting documentation to ensure spent in accordance with the project purpose.
6. Ensure all supporting documentation throughout this process is maintained, including invoices and acquittal summaries.

3 Receipts

3.1 Committed Donation Receipts

Objective:

To ensure all donation receipts committed to a specific project are accurately recorded, receipted and banked in a timely manner.

Procedure Instructions:

1. RAWCS online project donation form must be used for all RAWCS donations. This is to be downloaded and completed by donors and to be sent in with the donation.
2. If RAWCS receives a donation with only a letter or email, the appropriate RAWCS staff member is to assist the donor to complete the required online donation form.
3. Ensure all donations received are accompanied by an online project donation form, detailing the date, project name and number, amount, donor details and method of payment.
4. Process all project donation forms in MYOB as soon as practical once received.
5. Online tax-deductible receipts are issue to the donor once donated funds are cleared by the Commonwealth Bank. All donations received have a unique receipt number.
6. Deposit slips must then be prepared detailing all cheque donations to be banked.
7. Banking should ideally be performed at least twice a week or once total donations on hand reach \$1 ,000.
8. Direct deposits within the bank statements should be reviewed daily. Transactions should be matched against project donation forms and accurately recorded within MYOBI
9. Ensure all supporting documentation throughout this process is maintained, including project donation forms, duplicate receipts and deposit slips.

3.2 Unknown Donation Receipts

Objective:

To ensure all donation receipts not committed to a specific project are accurately recorded, appropriately followed up, receipted and banked in a timely manner.

Procedure Instructions:

1. Receipting and banking should be performed in much the same way as for committed donations (3.1), however additional steps need to be taken,
2. For unknown donations received, for instance direct deposits without enough information, these must be processed in MYOB to an uncommitted donations clearing account upon receipt.
3. Action must be taken to determine the donor in order to complete the receipt and transfer to the correct project code within MYOB.
4. Regular reviews by the National Treasurer of this clearing account should be performed to determine the level of transactions still 'unknown' and determine whether further investigation is required.
5. Once an 'unknown donation' reaches 12 months without identifying who it came from and where it should be allocated it should be raised at the next Board meeting and a decision made as to what project the funds will be issued to.
6. Ensure all supporting documentation throughout this process is maintained, including details of unknown transactions, supporting documentation subsequently identifying the transaction, banking details and, if applicable, subsequent Board decision on allocation.

4 Bank Reconciliations

4.1 Bank Reconciliations

Objective:

To ensure all transactions have been appropriately accounted for and accounting records agree to bank records.

Procedure Instructions:

1. Obtain bank statements / bank transaction listing daily for all bank accounts.
2. Perform full daily bank reconciliations within MYOB for each bank account, ensuring MYOB and bank statement balances agree.
3. Any discrepancies need to be determined and corrected in a timely manner.
4. Bank reconciliations for regional imprest bank accounts are conducted on reimbursement or at least three monthly.