

Policy P602 Authority to make payments from the Municipal & Trust Funds

Responsible Business Unit/s	Financial Services
Responsible Officer	Director Corporate Services and Manager Finance
Affected Business Unit/s	Financial Services

Policy Objectives

Local governments are required to ensure that they have effective and accountable systems in place to safeguard the City's financial resources. This includes the development of proper systems to verify record and authorise the payment of monies from the city's bank accounts.

Policy Scope

This Policy will affect the Financial Services business unit and officers with the authority to make payments from Municipal and Trust Funds.

Policy Statement

There shall be a maximum of six approved signatories for the Municipal & Trust Accounts as specified in the relevant Delegation Authority to make payments from the Municipal & Trust Funds. Signatories shall be categorised as being:

Primary Approvers

- May singularly approve payments from the Municipal or Trust Funds up to the limit specified in this policy.
- May jointly approve payments from the Municipal or Trust Funds in excess of threshold limit specified in this policy.

Secondary (Countersign) Approvers

- May approve payments in excess of threshold limit specified in this policy jointly with a Primary Approver.

Payment Initiators

- May initiate a payment process in relation to a Payroll or Creditors transaction but require a second approval from either a Primary or Secondary Approver.

Of the approved signatories, there shall be five signatories with primary approval in line with the limits of this policy. There will be up to a further one signatories approved to countersign along with a primary approver for payments over the threshold nominated in this policy.

Council Members are not eligible for nomination as signatories.

Authorised persons are required to be identified by the City's bankers to ensure that signatories are both authorised **and** identified prior to making payments on behalf of the City.

Any changes to the authorised signatories must be made by the exercise of delegated authority **before** being effected administratively by the nominated City officer.

Electronic transfer of funds (EFT) may be used for the payment of wages and salaries, PAYG tax, creditors, loans or for the investment of funds in accordance with Council's Investment Policy P603.

EFT transactions for **less than \$20,000** require ONE authorised person to provide a password to be entered and validated before the transfer is effected.

EFT transactions for **\$20,000 or more** require TWO authorised persons to provide their passwords to be entered and validated before the transfer is effected.

Cheques drawn on either Fund account for an amount **less than \$20,000** are to be signed by ONE authorised person.

Cheques for **\$20,000 or more** drawn on either Fund accounts are to be signed by TWO authorised persons.

Cash floats may be established with the authority of the Manager Finance contingent upon the need for such cash float being validated and approved.

Legislation / Local Law Requirements

Not Applicable

Other Relevant Policies / Key Documents

P603 Investment of Surplus Funds

P605 Purchasing