



Mandurah Basketball Association Finance Policy



POLICY DOCUMENT:	Finance Policy
POLICY VERSION	02
DATE APPROVED:	30 August, 2023
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SUPPORTING DOCUMENTS:	Mandurah Basketball Association – Purchase Request Mandurah Basketball Association – Refund Request Form Mandurah Basketball Association – Reimbursement Request Form

1.0 Application:

This policy applies to all Board members, employees, members, and volunteers within the Mandurah Basketball Association (MBA).

2.0 Purpose:

This policy outlines the overarching principles and considerations to guide sound decisions making in all financial matters at Mandurah Basketball Association.

2.1 This Policy will outline governance requirements and commitments regarding financial matters within Mandurah Basketball Association

3.0 Policy Principles:

Mandurah Basketball Association require an efficient and contemporary finance policy to effectively plan, manage and execute all playing and administrative functions of the Association.

3.1 Principles embedded within this policy which are to underpin all planning, operations and decision making include;

3.1.1 Integrity – Every action or decision is to be made with the utmost integrity at forefront of mind. All decisions are to be always guided by this principle;

3.1.2 Fairness – All financial decisions, relating to any aspect of Mandurah Basketball Association are to be made in a fair and equitable manner without any bias;

3.1.3 Transparency – Open and honest operations pertaining to all financial matters is critical and is to be upheld by all persons to which this policy applies at all times;

3.1.4 Sustainability – All decisions regarding financial purchases, contracts, services or any other matters, are to be made with future sustainability as a consideration.

4.0 Finance Team:

The Finance Team at Mandurah Basketball Association are responsible for financial governance, reporting, budget oversight and liaison with external parties for all financial matters.

4.1 The Mandurah Basketball Association Finance Team is comprised of;

4.1.1 President – Board member;

4.1.2 Finance Director – Board member (ideally with a financial background and/or qualifications);

4.1.3 Office Manager – Employee;



Mandurah Basketball Association Finance Policy



4.1.4 Finance Officer – Employee.

4.2 This Policy will guide the Finance Team to deliver sound financial outcomes which are ethical, efficient, innovative and adaptive to the changing needs of the Association.

5.0 Financial Governance:

The Finance Team will prepare and review policies and procedural guidelines pertaining to management of financial matters within the Association.

5.1 To mitigate risk and as part of good governance, all board members, employees or volunteers required to handle cash or conduct any financial transaction, will be required to hold a current National Police Check.

5.1.1 National Police Checks will be required to be provided every two years for any persons involved in cash handling or conducting financial transactions.

6.0 Conflict of Interest:

Managing conflicts of interest is pivotal within this policy to ensure transparency and accountability

6.1 Any Board Member, employee, contractor, or other association member who identifies an actual, potential, or perceived conflict of interest in respect of any matters covered in this policy must;

6.1.1 Immediately declare the conflict of interest to the Board;

6.1.2 Comply with any board directions to manage the conflict of interest;

6.1.3 Withdraw from any involvement or decision making surrounding the transaction as directed.

7.0 Financial Reporting:

Accurate and timely financial reporting ensures accountability and consistency for all financial decisions. It further ensures legal obligations regarding payments, taxation and superannuation are met.

7.1 Financial Reports will be completed by the Finance Officer on a monthly basis for perusal of the Finance Director and Finance Team. Approved finance reports will be presented to the board on a monthly basis for perusal, acceptance and minuting at board meetings.

8.0 Budgets:

The design and implementation of an effective, accurate budget ensures Mandurah Basketball Association remains financially viable and can continue to offer its services and perform its functions.

8.1 A budget will be completed annually and approved by the board, prior to 30 June each year. When preparing all budgets;

8.1.1 The previous financial year's budget will be utilised as a baseline to determine the current financial year's budget;

8.1.2 Prior to compilation of the budget, the Finance Director will liaise with each Portfolio Director to determine budget forecasts for assigned portfolios;

8.1.3 The Finance Team will compile an annual budget for presentation and acceptance by the board at the Mandurah Basketball Association – Annual General Meeting.

9.0 Budget Variation:



Mandurah Basketball Association Finance Policy



It is accepted that budget variance may be required throughout the financial year for Mandurah Basketball Association to prioritise requirements in line with community and membership expectations.

9.1 In regard to budget variances the following principles apply:

- 9.1.1** Variances are only to be considered if the benefits of the financial re-allocation outweigh the negatives;
- 9.1.2** Variances should not (where possible) adversely affect another area of Mandurah Basketball Association's operations;
- 9.1.3** Alternatives to budget variations such as fundraising or sponsorship should be considered in the first instance;
- 9.1.4** Budgets should not be completed with variances in mind, they should be as accurate as possible upon initial approval;
- 9.1.5** Directors or employees wishing to vary any portfolio budgets must consult with the Finance Director who will offer insight, review and if appropriate recommend the request;
- 9.1.6** Any variations to the budget must be formally approved by the board with justifications around decision making included in meeting minutes.

10.0 Purchasing:

Consideration surrounding cost effective and fit for purpose items must always underpin any purchase requests within Mandurah Basketball Association.

- 10.1** Prior to any purchase, Mandurah Basketball Association board members/employees must consider:
 - 10.1.1** Technical aspects of the goods or services being offered in terms of compliance with specifications, contractual terms and any relevant methods of assuring quality;
 - 10.1.2** Life cycle or ongoing costs including transaction costs, replacement costs, delivery, storage, maintenance and disposal;
 - 10.1.3** Competency, compliance, reputation and skills of any prospective supplier;
 - 10.1.4** Financial viability of any business or service provider and capacity to supply without risk of default;
 - 10.1.5** Other risk factors that may impact on life-cycle costs and value;
 - 10.1.6** Maintenance and/or depreciation of any asset;
 - 10.1.7** Storage considerations and controls avoid damage, theft and asset protection.

11. Purchasing Authority:

Authority levels to purchase items or enter contracts ensure that appropriate scrutiny and accountability are considered prior to Mandurah Basketball Association incurring any expenses.

- 11.1** To ensure accountability and govern expenditure the following purchasing authorities apply;
 - 11.1.1** Board members have authorisation to advise the Mandurah Basketball Association office to purchase items where the board has approved the detailed expenditure. This expenditure must fall within their approved budgetary limits.
 - 11.1.2** The Office Manager has authorisation to purchase items approved in the detailed expenditure as required, within approved budgetary limits.

12. Purchase Requests:



Mandurah Basketball Association Finance Policy



Purchase Requests ensure accountability and that, where appropriate multiple quotes or tenders are submitted to promote competitive rates.

12.1 Purchase requests relate to goods, services or contracts for expenditure in excess of \$3,000, where the following applies;

12.1.1 All purchase requests must be submitted through the Mandurah Basketball Association Office. This ensures accurate accounting and asset recording upon purchase;

12.1.2 All purchase requests must be completed utilising the Mandurah Basketball Association – Purchase Request Form;

12.1.3 All appropriate documentation (*including but not limited to quotes*) is to be attached to the Mandurah Basketball Association – Purchase Request Form upon submission.

13. Quotation of Goods/Services:

To ensure competitive pricing and fit for purpose items are purchased or services provided, quotes are required to be obtained, scaled to expenditure amount.

13.1 Amounts and applicable quotation levels are:

13.1.1 For expenditure up to and including \$3,000, only one (1) verbal quotation is required. (*This is assuming rates are reasonable and consistent with market value of similar products or services*);

13.1.2 For expenditure between \$3,001 and \$19,999, two (2) verbal or written quotes are to be obtained;

13.1.3 For expenditure over and including \$20,000, three (3) written quotes are to be obtained.

13.2 There is no requirement for quotations to be obtained where existing contracts for good or services are already in place.

13.3 There is no requirement for quotations in regard to regular costs including but not limited to;

13.3.1 City of Mandurah charges;

13.3.2 Costs associated with power, water, phone, gas or any other utilities;

13.3.3 Wages or salaries of employees, referees, games controllers, referee coaches or relief staff;

13.3.4 Finance charges including bank fees or transaction fees;

13.3.5 Any affiliate charges or fees through Basketball WA or Basketball Australia;

13.3.6 Any charges or fees associated with PlayHQ or any other player and fixture management databases;

13.3.7 Urgent maintenance requests;

13.3.8 In specific instances where the board has approved a waiver of quotations.

14.0 Local Supplier Preference:

As a local not-for-profit organisation, Mandurah Basketball Association adopt a community-oriented approach to all operations where possible

14.1 As part of supporting the Mandurah area and greater Peel region, the association will

14.1.1 Wherever practicable invite local suppliers to quote for providing goods and/or services;

14.1.2 A local supplier is defined as a business or organisation operating from permanently staffed premises within the Peel region.

15.0 Contract Terms and Conditions:



Mandurah Basketball Association Finance Policy



Suppliers of goods and services often have terms and conditions detailing the manner in which they deliver these goods or services.

15.1 It is imperative supplier terms and conditions are reviewed prior to engaging any service, placing any order or entering into any contract. This ensures Mandurah Basketball Association:

15.1.1 Receive goods or services that are fit for purpose;

15.1.2 Have access to warranties or sureties should goods or services fail or be deemed not fit for purpose;

15.1.3 Receive any goods or services in a timely manner as agreed in any purchasing order or contract;

15.1.4 Are not unwillingly entering any contracts containing unwanted or unwarranted future obligations.

15.2 Any contracts or commitments entered for supply of goods or services in excess over 12 months (or a perpetual agreement with no expiry date) must be approved by the Board.

16.0 Payment Processing:

Mandurah Basketball commit to ensuring effective controls remain in place to authenticate all payments.

16.1 All payments made by Mandurah Basketball Association will pass through an approval process to ensure accuracy, timeliness and effective recording.

16.1.1 Invoices and timesheets must be forwarded to Mandurah Basketball Association office for processing;

16.1.2 The Office Manager will ensure accuracy of amounts and accounts, ensuring policy adherence;

16.1.3 The Finance Officer will consult with the Finance Director to ensure two signatories authorise all payments made by Mandurah Basketball Association.

16.2 All payments through Internet banking, bank transfer or signed cheque require multiple signatories for release of payments. This ensures accountability and transparency and reduces the risk of any human error or misappropriation of funds.

17.0 Purchasing Credit Accounts:

Mandurah Basketball Association may at times hold credit accounts with suppliers for ease of operation.

17.1 With regard to any credit accounts the following stipulations apply;

17.1.1 All purchases must be made in line with principles outlined in this policy;

17.1.2 All purchases should be crosschecked by the Finance Officer and Office Manager;

17.1.3 Receipts for all purchases must be reconciled against the account and approved by the Office Manager.

18.0 Refunds:

Mandurah Basketball Association acknowledge, on occasion refunds will be required to be issued for various reasons.

18.1 In all cases where a refund is requested, a Mandurah Basketball Association – Refund Request Form must be completed and submitted to the office for consideration and approval.

18.2 Any applicable refunds for development programs, domestic competitions and WABL are set by the board annually and outlined within the PlayHQ database. These terms are viewable and must be agreed to upon registration.



Mandurah Basketball Association Finance Policy



18.3 Any databases used to manage registration and ticketing by Mandurah Basketball Association are operated by third parties. Participants are to review and agree to third party providers terms and conditions regarding refunds in these instances.

18.4 Refund amounts will often vary based on associated costs, withdrawals, timing and replacement availability. Not all refund requests will be approved.

18.5 All refund requests must be authorised by the Office Manager and the relevant Portfolio Director. An administration fee set by the board annually will apply and the amount of the refund must take into account the costs that have already been occurred and the method may vary depending on the program.

19.0 Petty Cash:

Mandurah Basketball Association does not hold any petty cash on site.

20.0 Reimbursements

Mandurah Basketball Association discourages the purchase of items by employees, board members and volunteers, however accepts that on occasion this may be required.

20.1 In matters where imperative purchases are required;

20.1.1 Preapproval should always be sought from the Office Manager, Portfolio Director or the board.

20.1.2 Purchasing principles outlined in this policy must be adhered to

20.2 When seeking reimbursement for these purchases the following is to apply:

20.2.1 A Mandurah Basketball Association – Reimbursement Request Form must be completed at the earliest opportunity and submitted to the office;

20.2.2 Evidence of purchase such as a receipt must be attached to the form for processing;

20.2.3 The Office Manager must approve all reimbursements prior to processing.

20.3 In all cases where reimbursement for purchases are sought, completed forms must be received by the office within 12 months from the payment date.

21.0 Cash Management:

Whilst Mandurah Basketball Association is predominantly cashless in operation, it is acknowledged that cash retention will be required at times to support our operations.

21.1 Cash on hand must be retained for the shortest practicable period before being banked.

21.2 It is the responsibility of the President, Finance Director, Office Manager, Finance Officer or authorised delegate to safeguard cash at designated sites at all times.

21.3 Cash must always be secured in an acceptable receptacle and location for the purpose namely:

21.3.1 A till, cashbox or other appropriate lockable receptacle when cash transactions are actively occurring ie. canteen usage, raffle tickets;

21.3.2 A lockable safe with access restricted to the President, Finance Director, Office Manager, Finance Officer or other authorised delegate when active transactions are not occurring.



Mandurah Basketball Association Finance Policy



21.4 In instances where direct responsibility for cash floats is transferred between people, ie. shift change-over, the following applies:

21.4.1 Outgoing and incoming employees or volunteers must count the float together and verify the amount;

21.4.2 These balances must be documented and co-signed by each party to ensure accuracy.

21.5 All Cash received is to remain on hand for the shortest time practicable and only when a justifiable reason exists. Cash will not be kept on hand as a matter of course.

21.6 Any cash holdings are to be banked at the earliest practicable opportunity by the Finance Officer. Ensuring safety arrangements are in place regarding cash security and transport are the responsibility of the Office Manager.

22. Cash Discrepancies and Reporting:

Mandurah Basketball Association acknowledges minor discrepancies in cash taking may occur from time to time due to human error.

22.1 Regardless of the reason for cash discrepancy or whether the amount is of surplus or deficit, it must be immediately recorded and brought to the attention of the Finance Officer and Office Manager for investigation and determination.

22.2 In any instance where fraud and/or misappropriation of funds is suspected or identified it must be brought to the immediate attention of the Office Manager and Finance Director. If a person holding either of these positions is suspected or identified as being involved, the matter must be immediately reported directly to the board.

22.3 Upon any report of the aforementioned conduct, the Office Manager, Finance Director or board are responsible for reporting the matter to Police.

22.4 The board are responsible for taking appropriate action whether final or interim regarding any alleged misappropriation of funds by any volunteer, employee, or board member.

22.5 The Office Manager, Finance Director and board are to ensure cooperation with any Police investigation in regard to any reported matters.

23.0 Payment Reconciliation:

All payments received by Mandurah Basketball Association will be reconciled and allocated by the Finance Officer. Allocations will be confirmed and authorised by the Office Manager.

23.1 Allocation of any amounts received from third party databases including but not limited to PlayHQ and Trybooking will be the responsibility of the Finance Officer and Office Manager.

24.0 Flexible Payment Options:

Mandurah Basketball Association understand the diverse financial needs of members and the community with regard to accessing programs and services.



Mandurah Basketball Association Finance Policy



24.1 Mandurah Basketball Association will always attempt to offer flexible payment options to ensure access to programs remains viable for the whole community.

24.2 Mandurah Basketball Association may engage third party providers to deliver these services. When this applies the Finance Team will attempt to ensure minimal fees are applicable.

25.0 Invoices:

Invoices for goods or services provided by Mandurah Basketball Association will be raised, forwarded, and reconciled by the Finance Officer, with oversight by the Office Manager and Finance Director.

25.1 All invoices raised will have specified due dates and payment terms

25.2 In cases where invoices are deemed overdue, Mandurah Basketball will re-issue invoices with reminders and follow-up contact in the first instance. If accounts remain unsettled, Mandurah Basketball Association reserve the right to take action including but not limited to;

25.2.1 Engaging third-party providers to recover outstanding balances owed;

25.2.2 Deeming members ineligible for participation until outstanding balances are settled.

25.3 A review of outstanding invoices will be undertaken annually at financial years end and provided to the board for advice and direction.

25.4 Invoices will only be considered for writing off by the board in exceptional circumstances and justifications for doing so will be recorded. In the event a debtor wishes to engage in further Mandurah Basketball Association competitions or programs this debt will require settlement until eligibility is granted.

26.0 Gifts and Benefits:

Mandurah Basketball Association acknowledges that supplying gifts is part of any community organisation's operations to celebrate and support members.

26.1 When assigning gifts for Mandurah Magic games played in WABL, the following applies:

26.1.1 Upon reaching 100 games for Mandurah Magic players are gifted a club purchased jacket;

26.1.2 Upon reaching 150 games for Mandurah Magic players are gifted a club purchased glass plaque.

26.2 When assigning gifts for Mandurah Magic games played in NBL1, the following applies:

26.2.1 Upon reaching 100 and 150 games for Mandurah Magic, players receive a gift valued at \$50;

26.2.2 Upon reaching 200 and 250 games for Mandurah Magic, players receive a gift valued at \$100;

26.2.3 Upon reaching 300 games for Mandurah Magic, players receive a gift valued at \$150;

26.2.4 Upon reaching 350 games for Mandurah Magic, and for every 50 games thereafter players receive a gift valued at \$200.

26.3 All other gifts and benefits provided by Mandurah Basketball Association, including those in regard to bereavement, special occasion or any other purpose must only be purchased after Finance Director approval.

27.0 Sponsorship:

Sponsorship and community support are an integral part of the operation of Mandurah Basketball Association.



Mandurah Basketball Association Finance Policy



27.1 Sponsorship packages and conditions will be determined annually and set by the board. The Office Manager or any board member has authority to liaise with any sponsors providing:

27.1.1 Any package entered align with the boards approved sponsorship packages;

27.1.2 There are no commissions payable to any person as part of any sponsorship package.

27.2 Any proposal for sponsorship that falls outside the approved sponsorship packages, must be submitted to the board for consideration prior to entering into any agreement.

28.0 Fundraising:

A pivotal role of any not-for-profit organisation is the ability to effectively raise funds to support operations and minimise participant costs.

28.1 All fundraising proposals are required to be submitted to the board for approval prior to any event taking place. Prior to authorising fundraising proposals, the board will consider;

28.1.1 Whether the event is in line with organisational values;

28.1.2 Capacity of volunteers and employees available to effectively facilitate the event;

28.1.3 A cost benefit analysis and all budgetary considerations regarding the proposal.

29.0 Insurance:

Mandurah Basketball Association undertakes to provide appropriate levels of insurance through accredited insurance companies to ensure protection of members, assets and equipment.

29.1 Responsibility for currency of Insurance policies sits with the board, who will ensure the following categories are covered up to the amounts stipulated;

29.1.1 Public Liability Insurance up to \$20 Million

29.1.2 Professional Indemnity Insurance up to \$10 Million

29.1.3 Personal Accident for volunteers up to \$250,000

29.1.4 Contents Insurance up to \$100,000

29.1.5 Workers Compensation for employees

29.1.6 Management Liability Insurance up to \$10 Million

29.1.7 Cyber Insurance up to \$2 Million

30.0 Australian Taxation Office (ATO) Requirements:

The Finance Officer will prepare all reports required for submission in line with ATO guidelines, including;

30.1 Quarterly Business Activity Statements (BAS);

30.2 Annual Pay as you go (PAYG) report.

31.0 Annual Audit:

To ensure accuracy, transparency and accountability, Mandurah Basketball Association will be subject to an annual audit completed by an independent third party.

31.1 To ensure accuracy and timeliness, the Finance Team will;

31.1.1 Provide all information requested by the auditor as soon as practicable upon request;

31.1.2 ensure information is accurately stored, recorded and available for the auditor to review;

31.1.3 Work with the auditor to ensure completion and report availability prior to the AGM.



Mandurah Basketball Association Finance Policy



31.2 The Finance team will continually liaise with the auditor to prepare material and address queries.

31.3 The Finance Team will consider all recommendations within the audit report and review appropriate policies and procedures to ensure compliance.

32.0 Asset Management:

All Mandurah Basketball Association assets are to be acquired in accordance with purchasing provisions within this policy.

32.1 Upon purchase of any asset, the Finance Team will classify, record and manage the item. This includes any future maintenance, replacement or disposal considerations.

32.2 Assets will be assigned one of three (3) classifications based on the information outlined hereunder;

32.2.1 A Capital Asset is any item valued at \$5,000 or more (ex GST). It is recorded in the MBA Capital Asset Register and depreciation will follow the ATO guidelines. Capital Assets will be inspected (at minimum) quarterly for condition and functionality. Disposal of any Capital Asset requires MBA Board approval. When any Capital Asset is disposed of notations including date, value and method of disposal must be recorded in the MBA Asset Register.

32.2.2 Any item valued between \$200 and \$4999 (ex GST) will be classified as Equipment and entered into the MBA Equipment register. These items will be inspected (at minimum) annually for condition and functionality. Disposal of any equipment requires MBA Board approval. When any equipment is disposed of notations including date, value and method of disposal must be recorded

32.2.3 Any items purchased for less than \$200 (ex GST) will be classified as Small Items and entered the MBA Small Item Register. Disposal of any small items does not require MBA Board approval. When any small items are disposed of, they will be removed from the Small Item Register, however disposal notations will not be required.

