

Cash management policy

| Cemetery trust (hereafter referred to as ‘the trust’): |  |
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| Date policy adopted (trust meeting date): |  |

The trust adopted this policy at its trust meeting on the date specified above. This policy will be reviewed two years from the date the policy was adopted.

# Purpose

The purpose of this policy is to ensure that cash management for the trust is consistent with the *Financial guidelines for Class B cemetery trusts* and to minimise processes that can lead to errors.

# Scope

This policy applies to all cemetery trust members and non-member secretaries delegated to handle money and other financial transactions for the trust. It includes:

* methods of payment to the trust
* cash handling and receipting
* petty cash
* claim for expenses
* accounts payable
* authorised signatories
* grants, donations and fundraising.

This policy includes payments made by electronic funds transfer (EFT) or cheque payable to the trust and is not negotiable. All transactions will be undertaken in accordance with the *Financial guidelines for Class B cemetery trusts*.

# Methods of payment to the trust

The trust accepts payments made by:

* EFT
* cheque
* cash.

The preferred method of payment is EFT or cheque to reduce risks associated with cash handling. The trust does not have an EFTPOS machine and does not accept credit card or debit card payments.

# Cash handling and receipting

All cash received will be issued with a receipt at the time of payment. For payment with EFT or a cheque an initial receipt will be issued noting payment and a final receipt will be issued once the payment has cleared. Should payment be made to a trust member in the form of cash or cheque, that payment will be passed onto the treasurer or secretary within two business days.

All forms of payment will be recorded in the trust’s records within two days of receipt. All cash or cheque payments will be secured until they can be deposited at the bank and will be banked within five business days where practicable.

# Petty Cash

The trust does not operate a petty cash system. Any purchases / expenses made or incurred by a trust member related to trust business will be reimbursed through the claims for expenses process.

# Claims for expenses

In accordance with section 5(1) of Schedule 1 of the *Cemeteries and Crematoria Act 2003* any claim for expenses must be reasonable and necessary.[[1]](#footnote-1)

Claimable expenses include travel, administrative expenses (e.g. postage or stationery), and petrol if personal equipment is used to maintain cemetery grounds. The trust will agree and set expenditure amounts before expenses are incurred where possible.

All purchases over $100 must have prior approval of the trust and be minuted. Purchases and payments for lesser amounts may be made between trust meetings with the approval of the chairperson and authorised by two trust members (who are not the purchaser). If the chairperson is claiming an expense this must be approved by two trust members.

All reimbursements must be accompanied by an invoice endorsed as paid, with details of the item / service obtained.

# Accounts payable

An invoice submitted directly from a provider or via a trust member initiates accounts for payment. The expenditure must relate to an action item approved by the trust. The trust will agree and set expenditure amounts before purchasing goods and services where possible.

Exception: Invoices under $5,000 for urgent works or to meet an approved contractual obligation can be paid with the approval of the chairperson and one other trust member. Payments made under these circumstances will be recorded and presented for ratification at the following trust meeting.

# Authorised signatories

Details of authorised signatories are included in the trust’s instrument of delegation.

# Grants and donations

If the trust receives a grant or donation from the community / individuals or through direct or indirect fundraising, the funding will be assessed to ensure there is no conflict of interest and that there are no conditions attached that are not in the interest of the management of the trust. Any funding received in this manner will be handled in accordance with the cash handling and receipting section of this policy.

VERSION CONTROL

| No. | Date | Comments | Next review |
| --- | --- | --- | --- |
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1. An expense is deemed necessary if it is unavoidably incurred in the course of authorised trust activities. [↑](#footnote-ref-1)