



IONA COLLEGE
TRINITY

TEQSA Provider ID PRV14376 • CRICOS Provider Code 04294D

Financial Management Policy and Procedure

Approved by the Board of Directors on 20 January 2022

1. Purpose	3
2. Scope	3
3. Policy	3
3.1 Principles	3
3.2 Authorisations	3
3.3 Use of the College's funds	4
3.4 Ownership of the College's property	4
3.5 Care and use of the College's property	4
3.6 Financial records	4
3.7 Integrity	4
3.8 Compliance	4
4. Procedure	5
4.1 Business planning and budgeting	5
4.2 Annual Financial Statements	5
4.3 Schedule of Delegations	6
5. Responsibilities	6
6. Definitions	7
7. Version history	7
8. Additional Information	7
Appendix 1 – Transactions Greater Than \$10,000 in Value	9
A1.1 Purpose and Scope	9
A1.2 Authorisation and Approval	9

A1.3	Documentation Requirements	9
A1.4	Segregation of Duties	9
A1.5	Review and Reconciliation	9
A1.6	Record Keeping and Accountability	9
A1.7	Reporting and Notifications	9
A1.8	Anti-Fraud Measures	9
A1.9	Compliance with Regulations	9
A1.10	Penalties and Consequences.....	10

1. Purpose

Iona Trinity College of Higher Education (**the College**) recognises the critical importance of providing adequate financial and non-financial resources to achieve and sustain high quality educational experiences and outcomes in accordance with the requirements of the *Higher Education Standards Framework (Threshold Standards) 2021*. This Policy provides relevant information on financial management at the College.

2. Scope

This Policy applies to:

- All departments and staff of the College, and
- All financial management activities at the College.

3. Policy

3.1 Principles

The College implements processes for effective oversight of the financial aspects of its operations to ensure it remains financially viable and sustainable.

As the delegated corporate governing body of the higher education operations of the College, and in line with provisions in the *Iona Trinity College of Higher Education Governance Framework*, the Board of Directors oversees financial management, planning and decision-making in relation to higher education.

The Principal oversees operational implementation of the approved budget, and financial and resources management in line with operational priorities.

All staff employed at the College must ensure that all financial transactions are properly recorded.

All staff must take responsibility for the appropriate use of College funds and resources, which are only to be used for the College's business purposes.

The College will manage financial operations in such ways as to:

- Deliver consistent financial performance
- Demonstrate prudence in the conduct of its financial affairs
- Maintain sufficient levels of liquidity and investment to support key academic functions, and
- Anticipate, and respond to, key sector drivers and trends which may affect the College's operations.

The College will establish adequate and rigorous business planning.

The College will publish relevant financial information for transparency and stakeholder trust.

3.2 Authorisations

No funds of the College may be committed or expended except by approval of the delegate as specified in the Schedule of Delegations within the College's *Delegations Policy and Schedule*.

Where a financial delegate has a direct or personal interest in a transaction, neither the delegate, nor any other delegate who reports to him or her, can approve that transaction. The interest should be reported to the immediate supervisor of the financial delegate and recorded appropriately.

3.3 *Use of the College's funds*

The College's funds must only be expended on goods and/or services for purposes that are directly related to the College. Funds from external sources tied to purposes, such as loans or contributions from other related entities to the College, must be used only for the specified purposes.

3.4 *Ownership of the College's property*

All items purchased from the College's funds are the property of the College unless there is an agreement in writing to the contrary.

Where there is a tangible output from a service purchased with College funds, e.g. a report, that output is the property of the College, unless there is an agreement in writing to the contrary at the time the service was engaged.

3.5 *Care and use of the College's property*

All users of the College's property must:

- Treat the College's property with care and consideration, in accordance with accepted legal and ethical standards
- Use the College's property for purposes directly related to the College only, and in accordance with safe work practices and any relevant College procedures, and
- Ensure that the College's property is appropriately secured from damage, theft, or misappropriation.

3.6 *Financial records*

All College financial transactions must be properly documented and accurately recorded in a timely manner and in accordance with the relevant policies and procedures.

Under the *Criminal Code Act 1995 (Cth)*, it is an offence to falsify accounting documents (including altering, concealing, or destroying financial records or failure to make or amend an accounting document) either intentionally or unintentionally, to facilitate or disguise illegitimate financial transactions – penalties may apply.

The College is committed to ensuring that the law is upheld and that the principles of timely and accurate record keeping are facilitated. Therefore, in accordance with the College's *Records Management Policy and Procedure*, all financial transactions must be properly documented and accurately recorded in a timely manner.

3.7 *Integrity*

All College staff are expected to act in an ethical and honest manner in all aspects of procurement and financial expenditure involving College funds.

3.8 *Compliance*

All staff of the College are required to comply with this policy and related policies, procedures and plans. Failure to do so may result in disciplinary action in accordance with

the *Human Resources Management Policy and Procedure* and may include the withdrawal of the College's privileges, services, and facilities.

4. Procedure

4.1 Business planning and budgeting

In order to ensure financial viability and to satisfy regulatory requirements that the financial position, financial performance and cash flows of the College are monitored regularly and understood, the College will engage in comprehensive planning and review. The planning and review activities establish financial forecasts that account for staffing, facilities and resource funding on the basis of projected student enrolments in order to achieve the strategic objectives of the College.

As a priority, financial planning, review, and assurance activities include consideration of the College's:

- Ability to continue to operate sustainably in the future
- Ability to maintain adequate staffing levels and academic leadership in order to support academic quality and integrity
- Capacity to invest in sufficient facilities and infrastructure (physical assets and information communication technology) to support the student learning experience
- Capacity to provide adequate support services to students, and
- Business continuity plans and financial and tuition safeguards in the event of disruption or discontinuation of operation.

The Board of Directors will approve the annual budget and forecast revenues for the College, and once these are approved, the Board of Directors monitors the College's financial performance on a quarterly basis as a component of ongoing business planning.

The College will undertake ongoing business planning to support its day-to-day operations, which will be mapped over a five-year period in the College's *ITC Consolidated Plans – Strategic, Business, Marketing and Workforce*. The Principal will prepare a quarterly financial status report for review and assessment by the Audit and Risk Committee, who assists the Board of Directors and the College to remain compliant with relevant regulations.

The report will:

- Analyse actual operational performance against the financial forecasts provided within the Business Plan
- Explain any significant variances from the financial forecasts and the effect this will have on the operations of the College, and
- Explain any remedial action that has been, or will be, undertaken to achieve the financial forecasts and/or maintain the financial viability of the College.

4.2 Annual Financial Statements

The College prepares Annual Financial Statements in accordance with Australian Accounting Standards.

The annual financial statements are independently audited by an appropriately qualified auditor.

The Board of Directors endorses the College's financial statements and provides them to the Tertiary Education Quality and Standards Agency (TEQSA):

- For each annual financial reporting period
- In a form approved by TEQSA
- With a statement by an independent, qualified auditor, and
- Within six months of the end of the annual financial reporting period.

4.3 *Schedule of Delegations*

This Policy must be read in conjunction with the College's *Delegations Policy and Schedule*.

Financial delegations in the Schedule of Delegations within the *Delegations Policy and Schedule* cover expenditure and revenue transactions, capital expenditure, execution of contracts, investment activity, general journal transactions, authority to sign cheques and other banking transactions and write-off or disposal of debts.

Expenditure of the College's fund of a material amount (exceeding \$10,000) must be approved jointly by the Principal and the independent members of the Board of Directors and carried out in accordance with Appendix 1 of this policy.

5. Responsibilities

Management of finances at the College is the responsibility of the Principal and is assured by oversight of the Audit and Risk Committee, and through ongoing review conducted by the Board of Directors.

The College's *Delegations Policy and Schedule* identifies the organisational positions and/or bodies that are authorised to make decisions on behalf of the College, as well as allowable delegations of authority from one organisational position or body to another, and defines the principles that govern the delegation of authority across the organisation, including financial delegation. The *Delegations Policy and Schedule* set out those organisational positions and/or bodies that have authority to commit or approve expenditure (of specified amounts) and manage the assets of the College.

The Principal and financial support staff are responsible for:

- Administration of the financial accounts in order that records are compliant with this policy, accurate, secure and complete and are available for audit or inspection for a minimum period of seven years
- Maintenance of the College's accounting and financial management information system
- Maintenance of an asset management system that tracks acquisitions, disposals and transfers of the College's assets
- Receiving course fees and distributing these in accordance with the College's policies
- Ensuring that funds are held in a secure location and regularly placed into appropriate bank accounts
- Management of the College's cash flow to ensure that funds are available to support day-to-day operational requirements, and

- Actioning, recording and reporting of the College's taxation liabilities/benefits in accordance with legal, statutory and audit requirements, accounting standards and generally accepted accounting principles.

6. Definitions

For the purposes of this Policy and Procedure, the following terms are defined as follows:

Financial records	All general records, accounting books, documents, securities and records of expenditure and receipts
Financial viability	The requisite assets and resources available to deliver registered qualifications as per the <i>Higher Education Standards Framework (Threshold Standards) 2021</i> .

7. Version history

Version #	Changes	Approval Body	Approval Date
1.0	Original Version	Board of Directors	20/01/22
1.1	Address material expenditure	Board of Directors	27/07/23
1.2	Inserted Appendix 1 – Transactions Greater Than \$10,000 in Value	Board of Directors	22/08/23

8. Additional Information

Policy Status	Approved
Policy Owner	Principal
Next Review Date	3 years from Approval Date
Associated Internal Documents	Delegations Policy and Schedule Fraud Prevention Policy and Procedure Human Resources Management Policy and Procedure ITC Institutional Plan 2023-2027 (Strategic Business Marketing and Workforce Plan) Records Management Policy and Procedure
Higher Education Standards Framework (Threshold Standards) 2021	Standards 6.2.1c and 6.2.1d

National Code of Practice
for Providers of Education
and Training to Overseas
Students 2018

No relevant standards

Other Applicable Legislation
and Instruments

Criminal Code Act 1995

Tertiary Education Quality and Standards Agency Act 2011

Warning - Document uncontrolled when printed! The current version of this document is maintained
on the Iona Trinity College of Higher Education's website at itc.edu.au

Appendix 1 – Transactions Greater Than \$10,000 in Value

A1.1 Purpose and Scope

This appendix outlines the procedures and internal controls for handling financial transactions greater than \$10,000 in value at the College and applies to all departments, faculties, and units within the College.

A1.2 Authorisation and Approval

All financial transactions greater than \$10,000 in value must be approved jointly by the Principal and the independent members of the Board of Directors.

A1.3 Documentation Requirements

All transactions greater than \$10,000 in value must be accompanied by the following documentation:

- Purchase orders or requisitions specifying the nature of the transaction.
- Vendor invoices, quotes, or contracts outlining the goods or services being procured.
- Any additional relevant supporting documents.

A1.4 Segregation of Duties

To ensure transparency and accountability, staff initiating a transaction must not be involved in its approval or processing. Clear segregation of duties will be maintained throughout the transaction process.

A1.5 Review and Reconciliation

The Board of Directors will monitor and conduct periodic reviews and reconciliations of transactions greater than \$10,000 in value to verify accuracy and identify any discrepancies or errors.

A1.6 Record Keeping and Accountability

All documentation related to transactions greater than \$10,000 in value will be retained for a minimum of seven years, in accordance with the *Records Management Policy and Procedure* and Australian regulatory requirements to ensure accountability, transparency, and compliance. Records can be maintained either physically or electronically.

A1.7 Reporting and Notifications

Staff initiating transactions greater than \$10,000 in value are required to promptly report such transactions to the Principal, who will then promptly report such transactions to the Chair of the Board of Directors. Any deviations from this policy must also be documented and reported to the Principal and the Chair of the Board of Directors.

A1.8 Anti-Fraud Measures

All staff members are expected to be vigilant in identifying and reporting any suspicious or potentially fraudulent transactions. Concerns related to fraud or irregularities should be reported in accordance with the *Fraud Prevention Policy and Procedure*.

A1.9 Compliance with Regulations

This policy aligns with all relevant Australian laws, regulations and standards, including those related to anti-money laundering (AML) and financial transactions.

A1.10 Training and Awareness

Training sessions will be conducted periodically to educate staff and faculty about this policy, its procedures, and the significance of compliance. New staff will be introduced to this Policy as part of the induction process.

A1.11 Penalties and Consequences

Violations of this policy may result in disciplinary actions in accordance with the *Human Resource Management Policy and Procedure*. Serious breaches may also lead to legal consequences.