



AUSTRALIAN MILITARY MEDICINE ASSOCIATION

PROCEDURAL INSTRUCTION

PI 9 – ASSOCIATION FINANCIAL MANAGEMENT

This **Procedural Instruction** adopted by
the Council of the **Australian Military Medicine Association**
at a meeting held

on the twenty-second..... day of January..... 2009

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Secretary

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President

INTRODUCTION

The Constitution of the Australian Military Medicine Association (“the Association”) requires that the affairs of the Association be managed by a Council, elected by the Members at each Annual General Meeting (“AGM”).

AMMA Policies PD-1, PD-2 and PD-3 provide guidance on the governance, management and funding principles of the Association.

The purpose of this Procedural Instruction is to set out the processes for day-to-day management of the Association’s finances and bank accounts under the direction of the Treasurer.

PRINCIPLE

The Association’s financial management practices will be consistent with the requirements of good corporate governance, both in general, as required by relevant Commonwealth and State Law, and as further specified under the Association’s Constitution and policies.

IMPLEMENTATION

In accordance with the Association Constitution, Council selects from within its membership a Treasurer.

The Treasurer is responsible for:

- a. providing advice to Council on the current and future financial position of the Association and any measures that need to be considered or implemented to ensure its financial viability; and
- b. overseeing the management of the Association's finances, including ensuring the prompt and correct payment of accounts, the receipt and depositing of payments and the transfer of funds within the Association's accounts to maximise the interest return.

Financial Advice

The Treasurer is to:

- a. prepare an annual budget for consideration by Council at its first meeting in each financial year;
- b. prepare a 3-year financial plan for consideration by Council at its October face-to-face meeting;
- c. provide advice to Council, and through it the Association membership, on the membership fees that are required to be set in order to ensure financial viability; and
- d. provide any such other financial or business advice to Council as requested or as deemed by the Treasurer to be appropriate or necessary.

Financial Management

The Treasurer is to oversee the day-to-day financial management requirements of the Association.

Establishment and maintenance of bank accounts

Bank account arrangements are to be determined and authorised by Council on the advice of the Treasurer.

The Treasurer is responsible for opening and managing the accounts as determined and for ensuring that the disbursement of the Association's cash assets is such as to maximise the interest return.

As a minimum, the Association will maintain one transaction account and one interest-bearing account. All accounts are to be accessible electronically to facilitate management of deposits, payments and transfers. The number of interest-bearing accounts may be increased to reflect the main business functions of the Association.

There are to be a maximum of five signatories/authorised electronic users of the accounts:

- the Treasurer;

- the President;
- the Vice-President or Secretary; and
- the principal of the Association's Secretariat and one other member of the Secretariat staff as agreed between the principal and the Association.

Only one signatory/authorised user is required to sign/authorise payments.

Payment of bills

All bills are to be paid promptly.

Payments are to be made electronically unless the vendor will accept no form of payment other than cheque.

Payments may be made by authorised staff of the Secretariat with **prior** approval for each payment being provided by the Treasurer or, in his/her absence the President or other Council signatory/user in the following manner:

- a scanned copy of the relevant invoice is to be e-mailed to the Treasurer, or President/Vice President/Secretary; and
- an e-mailed approval or non-approval is to be returned to the Secretariat.

The principal or other authorised staff of the Secretariat are under no circumstances to make payments to the Secretariat; all such payments are to be effected personally by an authorised Council officer.

A monthly report of bill payments is to be provided to the Treasurer.

Receipt and depositing of payments

The Secretariat is to manage the prompt banking of funds received. A weekly report of these transactions is to be provided to the Treasurer.

Internal transferring of funds

The Treasurer is to personally manage the internal transfer of funds to ensure the maximum interest return is achieved and to ensure that funds are held in the appropriate accounts whilst also providing that sufficient funds are held in the transaction account(s) to meet anticipated bill payments.