

Draft **Expenditure by Volunteers Policy 2017/18**

**Policy and procedures controlling expenditure of DTE funds by volunteers**

**1. Purpose**

To regulate and control all expenditure of DTE funds by volunteers.

**2. Scope**

All expenditure by volunteers of DTE funds (except expenses of directors which are regulated by the Board of Directors Expenses Policy).

**3. Link with other Policy documents**

This expenditure by Volunteers Policy links with and reinforces the **Application for Funding Policy 2017/18** and the **Payment and Transfer Policy 2017/18** (both available on <http://dte.org.au/downloads>)

**4. Definitions**

**AC** Approving Committee. The committee approving a budget. This is either the Organising Committee or the ConFest Committee.

**Appropriation** Funds allocated by members at a general meeting to the Board or an AC.

**Budget** An estimation of expenditure approved by the Board or an AC from an appropriation from members for the conduct of a specific activity, purpose, project or purchase over a period of time. The estimate of funding needed to complete a specific project/activity put forward on an **Application for a Budget 2017/18 Form** (contained in the *Application for Funding Policy 2017/18* available on <http://dte.org.au/downloads>.) and accepted by the Board or the relevant AC.

**Approved** Expenditure or action that has been agreed to by the Board the relevant AC.

**Capital asset** Capital items are significant pieces of property such as plant, machinery, vehicles, equipment, containers, and computers. A capital item is an asset which has a useful life longer than a year.

**Debit Card** A card issued a bank and authorised by the Finance Committee allowing the holder to transfer money electronically from DTE's bank account when making a purchase. The principle method by which DTE funds are provided to volunteers.

**FC** Finance Committee: The committee which keeps track of expenditure from each appropriation and each budget within each appropriation.

**Operating Expenses** are items as listed under Operating Expenses in the annual DTE Profit and Loss Statement.

**Substantiation** A documentary corroboration and verification that a transaction has taken place and goods and/or services have been received.

## 5. Documents referred to this Policy

**Invoice** A formal document issued by a seller to a buyer, recording a sale transaction and showing the products, quantities, and agreed prices for products or services provided.

**Receipt** A formal verifiable written or printed document acknowledging that money or property has been received.

**Tax invoice** Similar to an invoice but contains the amount of GST being charged and the ABN (Australian Business Number) of the supplier.

**Difference between an invoice and a receipt** The significant difference between the two is that the invoice is issued *prior* to the payment while the receipt is issued *after* the payment. An invoice is used to track the sale of goods or services. However, a receipt acts as documentation for the buyer that the amount has been paid.

**Receipted Tax Invoice** A tax invoice that signifies that the amount of the tax invoice has been paid. It contains specific details of the purchases made, GST paid, payment method and amount, date and other information that are required for effective recording and checking.

## 6. Procedures for obtaining budget approval and accounting for the expenditure

### In brief

- Become familiar with this **Expenditure by Volunteers Policy**.
- Complete an **Application for a Budget 2017/18** Form, which is contained in the *Application for Funding Policy 2017/18* available on <http://dte.org.au/downloads>
- Submit the completed application form for approval. Note: *Anyone who still owes more than \$500 to DTE will not be provided with advance funding in any way. These debtors may be considered for a budget approval only on the basis of tax invoice reimbursement only.*
- After budget approval gained apply funds within the limits of the budget.
- Submit receipted tax invoices (or an acceptable scan, photograph or copy thereof), along with detailed summary sheet to the Finance Committee. Retain copies or originals of tax invoices.

### In detail

a) Prior to any spending a volunteer must submit a Budget Application to a DTE

Approving Committee (AC) setting out:

- i) the purpose of the proposed expenditure,
- ii) applicants details,
- iii) applicants agreement to be personally responsible for any funds advanced,
- iv) detailed description of the intended uses of any funds advanced, and
- v) timetable in which funds would be needed.

b) The form **Application for a Budget in 2017/18** (available from link above) is to be used when applying for a budget. Note: *Anyone who still owes over \$500 to DTE will not be provided with advance funding in any way. These debtors may be considered for a budget approval only on the basis of tax invoice reimbursement only.*

c) Budget overruns will only be approved in exceptional circumstances. No further funding will be provided while receipted tax invoices or funds are outstanding.

d) If approved by the relevant AC a debit card will be issued to the applicant. See below for conditions governing the use of a DTE funded debit card.

- e) Funds will be transferred to the applicant's debit card in the timeframe that Dte determines.
- f) When spending funds a receipted *tax invoice* must be obtained for *each transaction*. The only exception is when no GST is charged by a supplier, in which case a formal receipt with other substantiation is required. Statements, written or oral, of what could have been paid, or it was cheaper if proof of purchase was not provided, or other such **will not be accepted**.
- g) Expenditure must be within the limits of the approved budget for that project/purpose.
- h) Money from one budget *cannot* be used to cover spending in another budget area.
- i) Expenditure must be in accordance with this Policy, reasonable and necessary, and conform to all requirements by DTE Rules, the ATO and other regulatory agencies as applicable.
- j) Submit paid tax invoices (or an acceptable scan or copy) after keeping originals or copies - together with a detailed summary to support/evidence transactions/claim to the FC.
- k) Keep a copy before handing over over receipted tax invoices.
- l) Receipted tax invoices to be submitted within the following timetables:  
i) non ConFest projects and activities: submitted within 14 days of the completion of the project or within 14 days of the purchase of materials.  
the purpose for the budget has been attained, or  
ii) ConFest specific projects:  
  - Prior to ConFest to the FC as above, or
  - at ConFest to authorised person. For those who cannot fully complete the submission at ConFest, you must do so before 19 April, 2018. Firm arrangement/appointment for this is to be made with an authorised person before leaving the festival.
- m) There will be facilities available at ConFest to receive receipted tax invoices, supply copies of and accept return of debit cards. Operating times and place of this depot will be operating will be made available on site.
- n) Where tax invoices are *not provided* for transactions the amount/s involved will be regarded as money owed to DTE by the volunteer and *recovery action will be taken*.
- o) All charges/purchases must be individually substantiated and details supplied.
- p) Expenditures will checked by the FC for compliance with the budgetary approval.
- q) Authorised person/s knowledgeable about DTE requirements will review all receipted tax invoices to verify the propriety of the transactions. The reviewer/s will be thorough, detailed, and have a questioning mindset. For example; What was the purpose? Is it valid and directly related to the service as a volunteer of DTE? Does it include personal expenses? Reviewers will enforce ethical policies regarding spending, receipts and coding of expenditures. The reviews will be overseen by the relevant AC.
- r) In measuring the reasonableness of expenditures, the AC or reviewer may consult the provider of the service or item. All expenditures will be subject to a the review process to establish it's legitimacy.
- s) No one is to review of their own charges, or enter their documentations into DTE's books.
- t) The relevant AC will decide whether or not to accept an expenditure.
- u) If dissatisfied with a decision by an AC a volunteer can, after providing further information, request a reconsideration by the AC.

## 7. Debit Cards

- a) Whenever possible volunteers must obtain and use a DTE debit card for payments in relation to their undertakings for DTE and the application of their budget.
- b) Debit cards are *not* to be used to pay DTE operating expenses over \$100, regular direct charges or purchase of capital assets. These are to be tabled at a relevant meeting for perusal and approval.
- c) Should a cash expenditure be necessary, volunteers may use their own funds and apply for reimbursement by supplying receipted tax invoices and written explanations. Only in exceptional circumstances may they make a cash withdrawal from their debit card. Cash withdrawals from debit cards are strongly discouraged. Tax invoices for such expenditure (like all spending on DTE's behalf) must be supplied. ATM or EFTPOS receipts are not tax invoices. Nor are estimates of what could have been paid.
- d) Only DTE related business transactions are to be charged to the card. A DTE debit card must not be used for personal transactions. Using DTE funds for personal items personal items constitutes abuse and is not acceptable under any circumstances.
- e) Debit cards are not to be given or loaned to anyone else under any circumstances.

## 8. Criteria for approval/reimbursement of expenditure

Only reasonable and necessary expenditure actually transacted and travel incurred by volunteers in the application of their budget will be approved. Volunteers are expected to exercise discretion and good business judgement, be cost conscious and spend DTE funds judiciously. Expenditure that could be perceived as lavish or excessive is not acceptable.

### a) Capital Items

Volunteers must have specific approval for the acquisition of any capital items. Quotations to be sought and submitted for DTE approval before purchase.

### b) Travel

All travel expenditure must have prior budget approval

- i) Cost of travel of volunteers to and from ConFest is a private expense. The only exception is the extra cost of hauling festival items to ConFest. Volunteers can seek reimbursement for pre- ConFest work visits to the site, but not for attending ConFest,
- ii) Travel expenses claimed must be related to the approved budget/project. This expense, like all others, must have been included in the budget application and the expense must be within the limits of the budget allocation for the project/purpose, and
- iii) A travel claim must include date of travel, method, purpose, and starting/ending points.

### c) Private Motor Vehicles

DTE may pay fuel costs only for the use of private motor vehicles in attending to DTE related work. Fuel for other use must have prior approval of the Board. No fuel costs will be approved for attending meetings or ConFest. No other costs will be approved approved including repairs, maintenance, insurance, fines, damage etc.

## 9. Expenses which will not be approved

The following expenses are *not* considered to be reasonable or necessary. These expenses are not eligible for acceptance unless the AC makes and enters into the minutes an affirmative determination that such an expense is reasonable and necessary, including a description of the circumstances and justification for that determination.

- a) Alcohol,
- b) Food whilst travelling,
- c) Food unless it's available for general consumption during ConFest,
- d) Transport expenses for attending ConFest,
- e) Services by DTE members/people involved in a project/village, including hire arrangements,
- f) Cigarettes, tobacco, drugs, confectionary,
- g) Private expenses of any kind,
- h) Loss/theft of cash, personal funds or property,
- i) Lost baggage or excess baggage charge for personal items,
- j) "No-show" charges or penalties for flights, hotel and car service if incurred due to non-business related changes in schedules,
- k) Parking or traffic fines,
- l) Personal automobile repairs or service,
- m) Personal travel portion of a business trip,
- n) Expenses of any person other than the volunteer claiming,
- o) Expenses which can be claimed by a volunteer as a tax deduction,
- p) Expenses normally recoverable from a third party,
- q) Claims for purchases that are required to be made under a DTE purchase order, or
- r) Expenses that are not incurred for DTE business purposes.

The above list is not exhaustive and merely gives examples of expenses that will *not* be reimbursed or accepted. As a volunteer you are expected to behave honestly, responsibly and within the guidelines of this policy (e.g., keep costs low).

## 10. Procedure Responsibilities

- a) The Board implements this Policy.
- b) The Board of Directors enforces this Policy.
- c) Superseding Effect. This Policy supersedes all previous policies and memoranda concerning the subject matter. Only the full Board may authorise exceptions to this policy.

Policy Approved by:

\_\_\_\_\_ Date: \_\_\_\_\_