



# Financial Manual

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# DOCUMENT VERSION

Version	Date	Change	Authorized
1	5 March 2022	Approved by the Board	FFPNG Board

## POLICY AMENDMENTS

This Financial Manual (this Manual) will serve as a working document and implemented across Friends of Femili PNG (FFPNG). Suggestions for changes can be directed to the FFPNG Finance and Administration Officer (FAO) and the Chief Executive Officer (CEO).

Any changes to this Manual will be proposed to the Board for endorsement. This Manual is reviewed on an annual basis or as needed.

## FOREWORD

The purpose of this Manual is to guide FFPNG in all financial and administrative transactions. More detailed operational procedures are outlined in the Accounting Manual.

The basic principles underlying this Manual are as follows:

1. Accuracy: all financial documents including receipts and entry are correct and have been reviewed thoroughly.
2. Transparency: all administrative and financial documentations will be available for internal and external audit at all times.
3. Accountability: our funds come from donors, and we will be accountable to them for our finances.
4. Efficiency: efficient financial procedures support service delivery.
5. Control: robust control measures assist in combatting theft, fraud, malfeasance and corruption.

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## **1. Delegation of Duties**

### **1.1 Authority to operate**

It is paramount that the delegation of duties are clearly specified, documented, implemented and recorded. This is for the security and safety of the person/entity to whom the responsibilities are given, as well as for the integrity of the organisation. This Manual will be available during internal or external financial reviews.

### **1.2 Division of duties**

This Manual sets out the different duties of certain positions held by staff and members of the organisation with regards to financial management. Positions with financial responsibilities include the following:

- FFPNG CEO
- FAO;
- Philanthropy and Partnerships Manager;
- Information Systems Officer;
- Treasurer;
- Board members; and
- FFPNG Chair.

A key reason for the division of duties is to ensure that financial process and control are not being managed by only one person. This process will protect the organisation's credibility and will prevent fraud, misuse of funds, corrupt practices and inappropriate behavior by increasing transparency and accountability.

### **1.3 Temporary change in the delegation of duties**

Where individuals are unable to fulfil their delegated financial responsibilities for any reason, arrangements will be put in place by the FFPNG CEO consistent with Section 1.2 above.

### **1.4 Summary of responsibilities of the Finance and Administration Officer**

The FAO, under the oversight of the FFPNG CEO, plays a critical financial management role for FFPNG. This is detailed in the sections which follow, and also summarised below.

#### **1.4.1. Financial Planning**

- a. Prepare annual budgets.
- b. Undertake cash flow planning.
- c. Apart from more general donor and stakeholder liaison responsibilities, assist on financial aspects of donor liaison, including management of earmarked and in-kind contributions.

#### **1.4.2. Financial Control**

- a. Monitor the budget and align expenditures based on the job coding system.
- b. Monitor project expenses and ensure purchases are compliant against the donor and implementing partner's policy.

- c. Ensure that financial control and procedures are in place, implemented and complied with.
- d. Implement the authorisation system for all expenses and financial commitments.
- e. Implement and maintain petty cash processes and checks.
- f. Conduct monthly monitoring of the financial procedure and expenses to ensure ethical and appropriate practices.
- g. Sign off on checklist for monthly financial statements.

#### **1.4.3. Financial Reporting**

- a. Conduct monthly progress analysis using the finance spreadsheet/MYOB reports.
- b. Submit monthly financial reports to the FFPNG CEO.
- c. Report suspected behaviour or instances of dishonesty/fraud to the FFPNG CEO.
- d. Inform FFPNG CEO of potential or actual deviations from the budget and obtain approval.
- e. Liaise with the external auditor during the audit process.

### **1.5 Summary of responsibilities of Board, FFPNG CEO and Treasurer**

The Board has a vital role to play in financial management. This is summarised below.

#### **1.5.1 The Board**

- a. Responsible for annual budget approval.
- b. Responsible for Financial Manual including financial risk management policies.
- c. Responsible for scrutiny of annual audit reports and responses.

#### **1.5.2 The FFPNG CEO**

- a. Responsible for finalising annual budget and seeking Board approval.
- b. Responsible for pre-approving or post-approving sums above the relevant delegation levels.
- c. Responsible for monthly budget monitoring.
- d. Responsible for monitoring levels of reserves.
- e. Responsible for oversight of the audit process.
- f. Responsible for responding to a financial emergency.

#### **1.5.3 The Treasurer**

- a. Takes the lead on behalf of the Board for budget monitoring and audit.
- b. Reviews the FFPNG financial reports on a monthly basis.

## **2. Budgeting and Funding**

### **2.1 Budgeting**

- The Board approves the annual budget.
- Budget overruns (>10%) are to be approved by the FFPNG CEO and endorsed by the Board.

## **2.2 Receipt of Funds**

- Receipts must be provided for all donations.
- If funds are submitted directly to a bank, and there is a discrepancy between the amount in the bank and the amount provided in an invoice, contact the donor. If the amount is due to bank fees, note this on the receipt.
- All donations to FFPNG are recorded in the MYOB Accounting system and updated monthly. FFPNG donations to be recorded in financial statements.
- Donations in-kind (both volunteer labour and goods) are recorded in a pro-bono register, also updated monthly.
- All cheques to be submitted to the bank individually or, if in a group, with full documentation. Whilst cheques are rare in Australia (with most payments made via Direct Deposit) when a cheque is received the remittance register will be updated and a copy of the cheque will be scanned and saved in Documentation file.
- A separate report (spreadsheet) to be prepared for all major fundraising events showing income and expenditure.
- All fundraising items for sale (e.g. bilums, t-shirts etc.) are recorded through MYOB and via the online shop (currently Shopify). Figures are reconciled weekly and monthly purchase records are generated via Shopify, (further detail is listed in the FFPNG Accounting Manual). Items kept by FFPNG are recorded in a stock take list (on Dropbox).
- The Australian Taxation Office (ATO) is informed of the revenue of FFPNG. GST does not apply to donations. To comply with ATO regulations, FFPNG submits a quarterly GST report.
- FFPNG is a registered Charity and has deductible gift recipient status as a public benevolent institution (PBI). Donations of AUD 2.00 and above are tax deductible in Australia. All receipts issued will show the tax-deductible donation requirements.

## **2.3 Receipt of Cash Funds**

- Wherever possible, receive donations by bank transfer rather than cash.
- When receiving a donation in cash, wherever possible, issue a numbered receipt from a receipt book for cash donations.
- When not possible to issue a receipt, ensure that the donor name and contact details are recorded and/or where possible cash is received in the presence of at least two staff or Board members.
- Where possible, two people to count and sign cash total at the end of the event.
- When items for sale by cash at an event (e.g. bilum) record sales and enter into the MYOB accounting system on the next working day.
- Cash to be banked and recorded as soon as possible (preferably the next working day).

### **3. Expenditure Guidelines**

#### **3.1 Expenditure Authorisation**

- Expenditure must be within the approved budget (see 2.1 for budget overruns).
- Expenditure must be approved by the appropriate staff member(s), depending on the amount (see Annex 1a which sets out the delegation framework).
- All requests for purchase orders are prepared by the relevant staff member, approved by the FFPNG CEO, and a payment advice submitted to the FAO. Once completed, FFPNG CEO / FAO to make payment as per annex 1.a. Delegation Framework.
- Purchase orders are approved before acquisition takes place.
- Invoices must be complete in terms of quantity of goods supplied or service rendered.
- Goods or services purchased must be verified at the time of delivery or pick up from supplier, as those ordered, before the supporting documentation is processed for payment, or acquittal of the advance.

#### **3.2 Purchasing Guidelines**

- No staff shall accept any personal gifts or incentives from any suppliers and must declare and register all gifts to the organisation.
- Procurement procedures should ensure that purchases are efficient (i.e. the process is transparent, fair and uses an appropriate method) and effective (i.e. the price, quality and quantity, and contribution to outcomes are correctly identified and described, price options are rigorously assessed and any contracts are diligently managed).
- Cost is not the only factor determining value for money. Consideration should also be given to: fitness for purpose; performance history of each prospective supplier; relative risk of each proposal; and flexibility to adapt to possible changes.
- For purchases of AUD1,200 or less, direct procurement process can be used. That is, no quotes are required however alternative suppliers must be checked for price, quality and availability to ensure the best value for money. Evidence of a regular check must be held on file for audit purposes.
- For purchases greater than AUD1,200, a competitive quotation process must be used. At least three competitive quotes must be obtained. Where three quotes for the item are not available, documentation must be completed giving reasons for why three quotes were not obtained. Whoever is responsible for approving the expenditure must approve this documentation prior to the order being approved. Note that even if FFPNG is not managing the contracting process, but is the donor, then it must make every effort to ensure that its procurement procedures are followed, including via preparation of a PIDF.
- Purchases above AUD1,200 (of a single item or of several items purchased together) must be documented and signed off on through a Purchasing Internal Documentation Form (PIDF), following the template in Annex 3. Who signs the PIDF depends on the value of the purchases (see Annex 1a).



- The PIDF must be filed with the receipts (and bids if greater than AUD1,200 or Bid Waiver Form) and other relevant documentation (e.g. minutes of Board with purchase approved if required; cheque).
- FFPNG staff travel is approved by the FFPNG CEO. Travel and hotel bookings do not require a competitive quotation process when this is not practicable. In these cases, the FFPNG CEO and individuals involved will be responsible for ensuring that value for money is obtained from plane and hotel bookings.
- The payment of goods must not be split to avoid the purchasing controls above.
- When several goods are being purchased, judgement is required as to whether they need to be combined and considered together or separately. If various flights and hotel bookings are being made to finance a trip, they do not require to be treated together with a single PIDF. But if various purchases are being made at the same time (e.g. a number of computers), they should be treated together. If you are in doubt, put the purchases together into a single PIDF.
- Though accommodation and flights do not require a competitive process, a PIDF is required for fundraising / promotional / advertising trips and technical assistance trips when expenses cost more than AUD1,200 and are subject to Annex 1.a. delegation of framework.

### **3.3 Expenditure Receipts**

- Expense documentation must be filed in a manner that allows for easy retrieval of the documentation as and when required. The FFPNG CEO is responsible to determine the most appropriate filing system for the project to ensure easy reference and retrieval.
- The FFPNG filing system is entirely online.
- Receipts must be recorded in the month they are received and must not be backdated after the relevant month to which they relate has been closed off.
- Hotel receipts must be retained and sent to the FAO for filing with relevant receipts (scanned copies are acceptable).
- E-tickets or ticket vouchers are acceptable for plane trips, but evidence of the trip being taken is also required (e.g. boarding pass, minutes of meeting attended, related hotel booking).
- When expenditures under a single PIDF exceed the limit set in Annex 1a, there must be an ex post approval by the Board (following the template in Annex 3) involving the sighting of receipts and evidence of the expenditure such as photos.

### **3.4 Payroll**

- Wages are paid fortnightly into staff member bank accounts via direct deposit.
- Pay slips are emailed each fortnight.
- Superannuation and PAYG is paid as per government regulations, and reported quarterly.
- Workers Compensation paid and reported as per Work Cover guidelines (NSW/ACT)

- For FFPNG, detailed payroll procedures are set out in the Accounting Manual.

## **4. Fixed Assets**

### **4.1 Fixed assets purchases and management**

- The same general rules for general purchases also apply to fixed assets (e.g. authorisation limits, requirement for competitive bids).
- Assets should not be used for private purposes.
- Asset purchases are to be registered and included in the monthly financial reports.

### **4.2 Fixed asset disposal**

- The FFPNG CEO in consultation with the FAO is responsible for asset disposal.
- The same approval limits for purchases apply to disposal of fixed assets noting that disposal is at the depreciated value as per the Asset Register (see Annex 1a).
- Asset disposal is considered on a case-by-case basis, noting issues such as security and environmental concerns. Disposals are documented in the Asset Register and supporting documents are saved to Dropbox.

### **4.3 Fixed assets register**

- Individual non-consumable items with an expected useful life of greater than one year purchased and over the equivalent of AUD1,000 must be recorded as a fixed asset in the Asset Register (one for each organisation). The Asset Register should also contain items with a life of over 12 months that are regarded as valuable and portable.
- The fixed Assets Register records price, date of purchase, type, and serial number.
- All assets above AUD1,000 are verified by the FAO and external auditor annually.
- Location movements of assets are also authorised by the Finance and Administration Officer and recorded.
- The damage or loss of assets requires written notification to the FFPNG CEO, and the Asset Register must be updated to record the sale, loss or damage or disposal of the asset.
- The fixed Asset Register will be electronic.
- The fixed Asset Register and its regular updating is the responsibility of the FAO.

## **5. Cash Management**

Cash payments will be avoided wherever possible, however, some payment by cash will be unavoidable. Whilst there are low safety risks in Australia and very low use of cash (one for donations in fundraising events), petty cash guidelines have been established, as outlined below. See Accounting Manual for details. For cash donations, see 2.2.

### **5.1 Petty Cash Payments**

- FFPNG petty cash is managed by the FFPNG CEO and FAO.

- Requests for petty cash are made to either the FFPNG CEO or FAO. If the petty cash is approved funds will be deposited via direct deposit to the receiver's bank account.
- A receipt of funds must be signed by the staff member in receipt of the funds and countersigned by the FFPNG CEO.
- It is the responsibility of the staff member receiving the petty cash to maintain legible receipts and the petty cash payment advice record (see Petty Cash Payment Advice).
- At the end of each month (no later than the 7th of the following month), petty cash receipts and the completed petty cash payment advice form will be provided to the FAO for all expenses incurred.
- FAO will enter expenses into the MYOB accounting system and maintain records of all outgoings and incomings.
- Replenishment of the petty cash funds can occur following check of receipts, or sooner as required and authorised by the FFPNG CEO. Petty cash will be reconciled by the FAO.
- Cash discrepancies are reported to the FFPNG CEO.

## **5.2 Bank Payments and Statements**

### **5.2.1 Bank payments**

#### **Direct bank transfers - PNG and Australia**

- Direct bank transfer is the preferred payment method to be used whenever possible.
- Authorisation rules for direct bank transfers are noted above.

#### **Australian bank accounts**

- FFPNG maintains its own bank account. The signatories for FFPNG's account is set out in Annex 1. In accordance with the delegation rules, the FFPNG CEO is responsible for authorisation of expenditures, while the FAO is responsible for actual payments. Two parties jointly authorise supplier invoices when required.
- The main bank accounts for Femili PNG are in PNG, but there is also an Australian account for Femili PNG expenses incurred in Australia. FFPNG assists Femili PNG to maintain this account as part of FFPNG's technical support to Femili PNG. The rules for administration of Femili PNG's Australian bank account are covered in Femili PNG's Finance Manual.
- For the Femili PNG Australian bank account, all documentation relating to this account will meet the same requirements as the PNG financial documentation (numbered/divided by month/stored electronically and available for audit). Refer to the FFPNG Finance Manual for Guidelines
- See Annex 1b for bank account and delegation details.

## **6. Accounting and Reporting**

### **6.1 Monthly financial accounts**

- FFPNG uses MYOB for accounting purposes on a cash basis. Direct bank feeds update daily into the MYOB software and is reconciled daily (or weekly when necessary) by the FAO.
- The FAO and FFPNG CEO conduct the month end financial closure.
- The FAO ensures that cash and bank transfer payment financial reports are accurate and complete.
- Job codes are used for major projects that require separate accounting – for example, donor funding for specific projects.
- Tax reporting and salary related reporting will be completed quarterly as per the guidelines set by the ATO. Detailed guidelines are maintained in the FFPNG Accounting Manual.

### **6.2 Submission of reports**

- The FFPNG CEO reviews, on a monthly basis, the following reports:
  - Financial spreadsheet
  - MYOB reports
  - Petty cash count
  - Bank statement
  - Pro-bono register
  - Related parties transactions register
  - Asset Register
  - PIDF register
  - Funds register
  - Staff wages
  - Financial checklist.
- The FAO submits the FFPNG Australian and FFPNG account statement and asset register to the FFPNG CEO for monthly approval.
- After checking and approval, the FFPNG CEO and FAO will submit summary reports to the Treasurer for feedback and comments.
- All reports and records are saved on Dropbox.
- Financial reporting to be conducted in a timely manner, with the aim of completing all reporting requirements by the 7th day following the end of the month for feedback and comment.
- Quarterly financial reports will be circulated to the Board in line with Board meetings.
- Quarterly, six-monthly and annual financial reports are to be prepared in a similar fashion.
- After review and approval, the FFPNG CEO will submit reports as required to donors.

### **6.3 Accounting for FFPNG staff time providing technical assistance to FPNG**

- FFPNG staff assist by providing technical expertise to FPNG. FFPNG keeps track of this assistance as part of the program support costs. Time spent by FFPNG staff on providing technical assistance to FPNG is estimated and reported on an annual basis.
- FFPNG staff also provide technical expertise to FPNG on discrete projects. These program support costs are recorded directly against these projects on a pro rata hourly basis. The procedure to account for these support costs is as follows:
  - FFPNG will maintain a timesheet to record staff time working on the project, including their gross hourly rate.
  - Each staff member will be responsible for updating their own record.
  - This is reviewed monthly by the FFPNG CEO and included in any project acquittal reporting.

### **6.4 Financial Risk and Reporting**

- Identification of financial risks is a responsibility shared by all staff, management and the Board.
- Any financial risks identified by staff and management can be raised and discussed with FFPNG CEO and FAO. If the issue is considered high-risk, it will be immediately brought to the attention of the FFPNG CEO and Board via email, WhatsApp or other means.
- Reporting to the Board will include an analysis of any identified financial risks.
- Where financial risks require a response plan or intervention, this response will be managed and reported by FFPNG CEO and FAO.
- The Risk Management Framework will be reviewed on a six-monthly basis with any new financial risks updated.

## **7. Reserves**

### **7.1 Purpose of reserves**

- The purpose of attaining sufficient reserves is to ensure the stability of operations and to provide a source of internal funds for organisational priorities such as asset and building purchase, maintaining services to survivors of FSV, program opportunity, and capacity building.

### **7.2 Operating Reserves**

- The Operating Reserves are intended to provide a source of funds for situations such as a sudden increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses.
- The amount of the Operating Reserve Fund target minimum will be submitted to the Board for approval with the annual budget, and actual reserves will be reported every six months.

### **7.3 Funding and accounting of reserves**

- The reserves will be funded with surplus unrestricted operating funds. The Board may direct that a specific source of revenue be set aside for reserves. Examples could include one-time gifts or bequests, special grants, or special appeals.
- The Reserve Funds will be recorded in the financial records as Reserves. Once built up, the Funds will be available in cash or cash equivalent funds.

### **7.4 Use of reserves – Friends of Femili PNG**

- Reserves will be held in FFPNG's bank account.
- The FFPNG CEO will identify the need for access to Friends of Femili PNG's reserve funds and confirm that the use is consistent with the purpose of the reserves as described in this Manual
- The FFPNG CEO will submit a request to use reserves to the Board. The Board will approve or modify the request and authorise use of the reserves for a particular purpose.
- The FFPNG CEO is responsible for ensuring that the Reserve Funds are maintained and used only as described in this Manual. Upon approval for the use of Reserve Funds, the FFPNG CEO will maintain records of the use of funds and plan for replenishment, if required.

### **Acronyms and Glossary:**

CEO	Chief Executive Officer/Development Manager
Delegation framework	Defined member/position within the organisation and level of authority for financial expenditure
Financial spreadsheet	Monthly project expenditures
Fixed asset register	A summary list of all acquired assets of the organisation
MYOB	Financial accounting software
Per diem	Defined daily allowance for staff carrying out work related travel. Does not apply to remote or flexible work arrangements
Petty cash	A monthly amount of cash that is accessible for small expenditure

### **Summary of Responsibilities:**

Treasurer	The Treasurer of the Board. This is the person responsible for oversight of the finances of the organisation.
CEO	Responsible for ensuring that FFPNG has sufficient funds and implements financial controls and procedures across the organisation. Responsible for financial planning and reporting
Finance and Administration Officer	Responsible for undertaking the daily administrative, bookkeeping and accounting system of the project. Responsible for payroll. Manages petty cash and assists with administration and other duties. Responsible for financial planning and reporting. Responsible for maintaining the Asset Registers and other financial registers. Responsible for making payments and ensuring correct documentation is filed. Responsible for monthly review of Registers.
Information Systems Officer	Authority to co-sign transactions and PIDF preparation – and is a co-signatory on the Bank Account
Philanthropy and Partnerships Manager	Fundraising reporting and administration, develop and maintain strong business partnerships
Board	Responsible for strategic oversight of the project and managing the FFPNG CEO, and ex post approvals

### **Annex 1a. Delegation Framework**

Australia – Friends of Femili PNG

<b>Authorised Amount</b>	<b>Approved by</b>	<b>Payment method</b>
<500 AUD	FAO, ISO or PPM	Bank card or electronic transfer
<2,500 AUD	FFPNG CEO	Bank card or electronic transfer
2,500-5,000AUD	FFPNG CEO plus <b>ex ante approval</b> by Chair or Treasurer (as recorded in Board minutes or by email)	Bank card or electronic transfer
>5000 AUD	FFPNG CEO plus <b>ex ante approval</b> by Chair or Treasurer and <b>ex post approval</b> by Board (as recorded in Board minutes or by email)	Bank card or electronic transfer
Salary and Related Salary and Tax Obligations	FFPNG CEO, FAO	Electronic transfer

### **Annex 1b: Bank accounts and signatories**

Below are the details of Friends of Femili PNG's bank account including the bank account signatories that have been endorsed by the Board.

<b>Bank account name</b>	<b>Bank</b>	<b>Branch</b>	<b>BSB</b>	<b>Account no</b>	<b>SWIFT</b>	<b>Signatories</b>
Friends of Femili PNG Inc	Commonwealth Bank	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

### **Annex 1c: Agreement signatories**

Below are the details of Friends of Femili PNG's agreement signatories endorsed by the Board.

<b>Type</b>		<b>Signatories</b>
Contract, Agreement, Memorandum of Understanding	Primary signatories	[REDACTED]
	If a second signatory is required	[REDACTED]
Exchange of letters	Primary signatories	[REDACTED]



## **Annex 2: Staff per diem rates**

The travel allowance is based on the ATO guideline for domestic travel expenses according to salary level and destination (2021-2022 income tax year)

### **Australia:**

Breakfast	Lunch	Dinner	Miscellaneous	TOTAL
\$29.60	\$32.85	\$56.00	\$20.60	\$139.05

### **PNG:**

Breakfast	Lunch	Dinner	Miscellaneous	TOTAL
K25	K30	K45	K5	K105

### **Other international destinations:**

Equivalent of AUD139.05 per day.

This per diem scheme will use the following principles:

- Acquittals are not required for the meal allowances as this is a travel entitlement.
- Where a meal is provided no allowance will be paid for that meal time.
- Acquittals to be made on accommodation and transport costs.
- Miscellaneous costs will include phone cards/top-ups.

### **Meals and allowances for remote trips**

Rates will be determined by the ATO Guidelines on a case-by-case basis taking into account costs according to each local community hosting the visit.

### **Accommodation and transport costs**

All travel advances need to be approved by the FFPNG CEO on a case-by-case basis at the time of the request taking into account the amount budgeted for these items.

### **Annex 3: Forms**

The following forms are provided below:

- Petty Cash Received
- Petty Cash Payment Advice
- Purchasing Internal Documentation Form (PIDF)
- Ex post Approval Form

**ANNEX 1: PETTY CASH RECEIVED**

<b>PETTY CASH RECEIVED</b>	
<b>Date:</b>	
<b>Amount Deposited:</b> (Total AUD)	
<b>Deposited to:</b> (Employee Name)	
<b>Received by:</b>  (Print Name)	  (Signature)
<b>Approved by:</b>  (Print Name)	  (Signature)

In accordance with the Petty Cash procedures, the recipient acknowledges monies received will only be spent in accordance with expenses incurred ordinarily in the course of their work and will maintain detailed and legible records.

Friends of  
**FemiliPNG**  
 care. support. change.

**ANNEX 2: PETTY CASH PAYMENT ADVICE**

**AMOUNT DEPOSITED:** \_\_\_\_\_ **DATE:** \_\_\_\_\_

**TYPE OF ACTIVITY:** \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**BEING PAYMENT FOR:**

PETTY CASH – JULY 2021		
DATE	RECEIPT DETAILS	AMOUNT
	<b>TOTAL</b>	
<b>RECEIPTS RECONCILED DATE:</b>		/ /
<b>RECEIPTS RECONCILED BY:</b>		/ /

**PURCHASING**

**Office: FFPNG PIDF #: X/2022**

**INTERNAL**

**DOCUMENTATION**

**FORM**

*Complete this form before you commit to pay  
PGK 3,000 or more for physical goods or for services of  
any kind.*

**A. The Need**

Requester name <i>(Must not be approver):</i>		Date: Day/Month/Year
What do you need? Why? When?		
Detailed Requirements		
Other important decision factors:		

**B. Initial Cost Estimate**

How much do you think this will cost?	
How did you estimate the cost?	

*NOTE: If you collect 3 firm quotes that meet Step A specifications, they can be used to complete Bid Comparison Table*

**C. Budget and Funding**

The budget line item/account code to be charged for this purchase? (Note there may be more than one code, in which case show each budget code and amount adding to the total)	
Is the total budget will result for the project to overspend?	If yes, attach email authorizing overspend.
If yes, I have confirmed that this purchase complies with funding terms and budget	Name:

**D. Bid Collection and Comparison**

Collect 3bids or 3 firm quotes from step B. to complete bid comparison table	
Number of vendor bids: 1	If fewer than 3 bids or quotes provide explanation in box provided in the 3 <sup>rd</sup> page of this form.
Name of recommended vendor:	Bid Amount:
Attach EMC/MC email approval except for airlines, hotels, utilities and telecommunication.	

**E. Authorization to Purchase**

I approved the vendor selected and authorize spending a maximum of

Approver (Authorization to purchase to be given by email or electronic signature):

➤ AUD 2,500	Ex ante approval by EMC or Treasurer	Email date: __/__/__
➤ AUD 5,000	Ex post approval by EMC or Treasurer	Email date: __/__/__

**F. Purchase Completion**

Goods match specifications were received, added to inventory if appropriate, and placed into service or service meet specifications have been received. Yes OR No (circle the one that applies)		If no, attach explanation
Is this purchase a fixed Asset?	Yes OR No	If yes, scan the vendor invoice and email to EMC
Does this involve a contract?	Yes Or No	If yes, scan the contract and email to EMC

I confirm step F is indicated: Name: \_\_\_\_\_ Signature: \_\_\_\_\_

**PIDF Bid Collection & Comparison (Step D) or Quote Comparison (Step B)**

Name of the person who collected, compare bids, quotes or recommended vendor	
Written request to 3 or more vendors, letter or emails attached	
Did any requirements change after PIDF step A or Step B?	Yes or No, if yes, explain below

**Bid Comparison Table** (if more than 3 bids were obtained, extend last row). If fewer than 3 bids, explain in box below. If vendors provided written bids, attach them to the printed PIDF.

Vendor Name	Price Quoted	Reliability, other factors considered/Comments

**Recommended Vendor**

Which bid is recommended and why? (If lowest bid was not chosen, describe reasonable factors that took precedence.)

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Explanation if fewer than 3 bids/quotes were obtained.

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## Ex post approval form

**Table 1**

Title	
Amount (AUD)	
Budget code(s) [If more than one code show the breakdown of the total by code]	
PIDF Number	
PIDF approved by EMC date	
PIDF amount (K)	
Month in which expenditure appears in financial statement	
Cheque No.	
Cheque Amount	
Month in which cheque appears in bank statement	
Receipt attached	
Physical evidence of expenditure	
Comments	

**Note: If there is more than one purchase and/or cheque and/or receipt leave yellow shaded items in Table 1 above blank and fill in the table below. Can also add cash payments to this table.**

**Table 2**

Purchase	Amount (K)	Cheque No	Cheque Amount	Month of financial statement	Month of Bank statement	Budget Code	Receipt sighted	Evidence of expenditure
<b>TOTAL</b>								

Note: Total (AUD) in Table 2 must equal Amount (AUD) in Table 1

Prepared by:

Approved by

Date of submission:

Date of approval