



Budget Management Australian Education Union ACT Branch Policy

Policy Number	POL014	Version	3.0
Last Reviewed	14/03/2018	Next Review	14/03/2020

INTRODUCTION

The creation and review of an annual budget allows for planning and review of operational performance to ensure that the organisation operates within a responsible and sustainable financial framework.

PURPOSE

This policy is designed to set out the process for preparing, approving and monitoring the Union's annual budget.

POLICY

The Branch Executive Finance Committee will endorse a draft budget prepared by the Business Manager and provide it to the Branch Executive for approval prior to December each year. The Branch Executive will monitor the budget through monthly Treasurer's reports at each Branch Executive meeting.

RESPONSIBILITIES

The Business Manager is responsible for preparation of the draft budget and cash flow for presentation to the Finance Committee.

The Finance Committee is responsible for reviewing the draft budget and cash flow to ensure they reflect projected activity and all known financial commitments.

The Branch Secretary is responsible for providing a monthly Treasurer's report at Branch Executive meetings, and bringing to the attention of the Branch Executive any foreseeable future impacts to the budget.

The Branch Executive is responsible for the approval of the annual budget, monthly monitoring of operational performance against the budget and the implementation of strategies to address unexpected or unforeseen material impacts to the budget.

PROCEDURES

1) Preparation & Approval

The Business Manager will prepare a draft budget and cash flow with consideration given to both historical income and expenditure as well as known or anticipated changes.

The Business Manager will present the draft budget for review by the Finance Committee prior to the end of October each year. The Finance Committee will review the data for completeness and operational alignment, identify any required variations and approve the draft budget for submission to Branch Executive.



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The Branch Secretary will present the draft budget endorsed by the Finance Committee at the next meeting of the Branch Executive. The Branch Executive will review the data for completeness and strategic alignment, identify any required variations and is ultimately responsible for approval of the budget.

2) Monitoring

The Branch Secretary, as Treasurer, will monitor the organisation's income and expenditure against budget and report monthly at the Branch Executive meeting. The Treasurer's report will include the following documents:

- A Profit and Loss report with month-to-date and year-to-date variances.
- A Member Welfare Fund report.
- A commentary detailing reasons for material variations and recommendations for corrective action if required.

The Branch Executive will review the Treasurer's report, review the data, seek clarification and if corrective action is required, determine which strategies will be implemented.

RESOURCES

Operational activities related to this policy are to be delivered within budgeted office resources.