Finance and Accounting Manual

Bank Account Procedures

Approved by the Chief Financial Officer on 10 December 2010
Date of effect: 10 December 2010
Updated for Delegation amendment: 4 October 2011
Updated: 25 September 2012
Updated for Delegation amendment: 17 February 2014

1. Overview

1.1 Purpose

The University operates one main bank account, foreign currency accounts (USD, GBP and Euro) and a number of agency accounts that sweep into the main account daily. The University also operates segregated accounts by agreement, eg, AUSAID Account. These accounts are operated for the purpose of managing the University's cash transactions.

1.2 Coverage

This procedure applies to University Staff with authority/responsibility for University Bank Account activities.

2. Procedures and Guidelines

2.1 Establishing Bank Accounts

(i) The authority to open official bank accounts for the University rests with the Chief Financial Officer.

(ii) The Chief Financial Officer approves:-
- (a) The opening and closing of bank accounts
- (b) Amendments to the designation of an account
- (c) Appointment and cancellation of cheque signatories
- (d) Payment and receipting processes
- (e) Arrangements involving any bank or financial institution.

(iii) All requests to open or close bank accounts shall be endorsed by the Finance Director/Associate Director Finance and forwarded to Financial Control and Treasury for referral to the Chief Financial Officer for approval. Financial Control and Treasury then requests the bank to open/close an account, including details of the cheque signatories.

(iv) Newly appointed signatories are required to undertake a standard 100 point ID check with the bank.

2.2 Authorised Bank Signatories

(i) Under part 6.14 of the Delegations of Authority – Administrative Functions, the Senate Finance and Audit Committee approves bank signatories, including signature for internal authorisations for electronic transfers.

(ii) The Senate Finance and Audit Committee approves Authorised Bank Signatories with authority to sign manual cheques and open cheques for cash. Two signatures are required to authorise bank electronic fund transfers and to enter into bank agreements including bank guarantees, merchant terminal, cash passport account, letters of credit.

2.3 Reconciliation of Bank Accounts

(i) All University bank accounts shall be reconciled at least once per month.

(ii) Bank reconciliations must be signed by the officer responsible for preparing the reconciliation and countersigned by an independent accounting officer/departmental manager.

(iii) The reconciliation must include the identification of all items in the reconciliation and corrective action required.

(iv) Bank reconciliations shall be checked and verified by a responsible officer, normally the manager/supervisor.

(v) Checks must be made of outstanding items on the reconciliation of the previous reporting period to ensure timely resolution.

(vi) The original reconciliation should be filed and made available for audit purposes as required.

(vii) For bank accounts other than the main University account a copy of the reconciliation should be provided to Financial Control and Treasury on a monthly basis.

2.4 Delegations

Delegations of authority in relation to bank accounts are detailed in part 6.8.3 and part 6.14 of the Delegations of Authority – Administrative Functions.

3. Internal Controls

3.1 Responsibilities/Accountability

Officers	***Responsibilities***
Senate Finance and Audit Committee	• Approve bank signatories, including signature for internal authorisations for electronic transfers.
CFO	• Approve all arrangements concerning the University's bank accounts (eg. opening and closing, styles, cheque signatories, payment and receipting processes).
Financial Control and Treasury	• Manage/oversee bank account procedures including primary liaison with the University's banker • Reconciliation of main bank accounts • Recommendations to the CFO in relation to bank account administration
Managers, accountants or finance officers	• Proper accounting and reconciliation of bank accounts for assigned department
Authorised bank signatories	• Appropriate approval of payments

4. Related Information

4.1 Resources and weblinks.

(i) Training Materials

(ii) References

- Delegations of Authority – Administrative Functions
  sydney.edu.au/policies/showdoc.aspx?recnum=PDOC2011/72&RendNum=0

- Finance and Accounting Manual
  sydney.edu.au/finance/about/manual.shtml

4.2 University procedures superseded or replaced by this procedure:

(i) Finance and Accounting Manual

- Bank Account Procedures: 1 June 2005

5. Contact and Review

5.1 Contact

Unit:	Financial Control and Treasury
Phone:	9351-5891
Fax:	9351-5861

5.2 Review

The Chief Financial Officer will approve changes to financial procedures and guidelines and will co-ordinate changes to financial policy, with the Vice-Chancellor delegated to approve University financial and infrastructure policy.

Amendments to forms, schedules and weblinks will be processed by Financial Services.

Amendments to the Finance and Accounting Manual procedures and forms are listed on the Financial Services website under:-

- FAM Amendments
- Amendments to Forms

Please forward suggestions and comments on the Finance and Accounting Manual via the Feedback Form.