

# Adelaide Quality Care

## Policy 1

### Financial Management Policy & Procedure

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# Financial Management Policy and Procedure

## PURPOSE AND SCOPE

- To maximise each consumer's control of their funding and finances.
- To ensure all consumers are given the opportunity to personally manage their NDIS funding.
- To ensure that financial management of government programs are undertaken in an orderly manner in accordance with legislation and regulation.
- To support consumers to manage their own financial affairs independently.
- To ensure there is a process in place to protect consumers who require assistance with managing financial affairs. When Adelaide Quality Care staff are involved with handling consumer's money, strict procedures contained herein will always be followed to protect them from financial abuse.
- To ensure that all participants are informed of costs and payment process for all services provided.
- To provide consumers with technical assistance to increase their capacity to direct their own support and teach them to self-manage.

## POLICY

We will ensure all financial transactions and procedures are undertaken in a manner that meets the requirements of legislation and contracts. To safeguard all participants and staff, the procedures outlined in this policy will be strictly followed.

All consumers requiring financial assistance must approve the arrangement and sign a service agreement and consent form. The consumer's advocate/carer must also sign the agreement. All documents will be kept on file and included in the consumer's care plan.

We will undertake annual audits and forward required documentation. We will ensure the business is financially viable and inform participants of costs and payment procedures.

## **PROCEDURE**

### **Financial Management**

#### **Roles and Tasks:**

- Financial roles and responsibilities are determined by Adelaide Quality Care.
- An accountant will be accessed to complete the required financial compliance and obligations.
- Financial decisions are the responsibility of Adelaide Quality Care.

### **Financial Management Practices**

The following practices apply to financial management including recording of the business earning separately and being documented as a legitimate enterprise, with a clear revenue stream and records of deductible business expenses. As, documentation and organisation of information about company transactions will be used to facilitate financial management for tax purposes.

#### **Bank accounts**

All bank accounts are maintained. Separate bank accounts are maintained for business and private purposes.

#### **Credit Cards**

Cardholders must only use a Adelaide Quality Care Corporate Credit Card for official Adelaide Quality Care business activities only.

#### **Budget**

An annual budget is developed by Adelaide Quality Care, supported by the financial advisor.

#### **Books of Accounts**

Adelaide Quality Care is responsible for maintaining accounts, assisting the financial advisor in the preparation of the annual budget and for preparing monthly, quarterly and annual financial reports.

Adelaide Quality Care is responsible for processing all receipts and payments.

## **Income**

All monies received are receipted and recorded in the electronic finance system. Receipts and a banking statement are printed from the electronic finance system.

## **Payments**

All payments (except petty cash) are made by electronic transfer

## **Recurrent payments**

Recurrent payments; wherever possible, are made electronically.

## **Supplier accounts**

Wherever possible, accounts are established with suppliers and purchases charged to the accounts. Accounts are paid in full, within the required terms for payment, on receipt of the statement or invoice.

## **Asset Register**

The Asset Register will list the assets owned by Adelaide Quality Care. It will contain pertinent details about each fixed asset to track their value and physical location. The register will show the quantity and value of items such as office equipment, motor vehicles, furniture, computers, communications systems and equipment. (see "**Asset Register**" form)

## **Reconciliations and ATO reports**

The following reconciliations and ATO reports are completed at the end of each month:

- All banks accounts are reconciled against bank statements.
- The Instalment Activity Statement is completed and forwarded to the ATO.

The following reconciliations and ATO reports are completed at the end of each quarter:

- The Business Activity Statement is completed and forwarded to the ATO.
- Superannuation Guarantee contributions are reconciled, and payments made.

The following reconciliations and ATO reports are completed at the end of each year:

- Books of accounts are balanced and closed off.

- Wages are reconciled, and Payment Summaries completed and forwarded to staff and the ATO.
- Audit reports are prepared.

### **Audit**

Annual Acquittal Statement and audited Financial Report will be forwarded as per contractual requirements to the relevant government bodies. If the business grows to more than \$50,000 then Financial Acquittal Statements will be forwarded.

An annual audit is undertaken each year by a qualified external Auditor.

### **Applying For Funds**

The following applies to all applications for funding:

- Adelaide Quality Care must adhere to the NDIA Price Guide or any other Agency pricing arrangements and guidelines as in force from time to time.
- Adelaide Quality Care must declare relevant prices to consumers before delivering a service. This includes declaring any notice periods or cancellation terms. Consumers are not bound to engage the services of Adelaide Quality Care after their prices have been declared.
- Adelaide Quality Care can make a payment request once that support has been delivered or provided.
- No other charges are to be added to the cost of the support, including credit card surcharges, or any additional fees including any 'gap' fees, late payment fees or cancellation fees. These requirements apply to all Adelaide Quality Care charges regardless of whether funding for the support is managed by the consumer, or managed by Adelaide Quality Care, or managed by the Agency.

### **NDIS**

- A claim for payment is to be submitted within a reasonable time (and no later than 60 days from the end of the Service Booking) to the consumer or to the NDIS
- Adelaide Quality Care will charge 90% of the service fee as a cancellation fees if the service is cancelled less than 24hours as per NDIA Price Guide.
- Adelaide Quality Care and Consumers (except for those that are self-managing) cannot contract out of the Price Guide. Where there are any inconsistencies between the Service Agreement and the Price Guide, the Price Guide prevails.

- Wherever required, Adelaide Quality Care will obtain a quote for services and have this approved by the Consumers

## **HCP**

- Adelaide Quality Care will charge 15% of Government Subsidy as a Package Management Fee monthly if AQC manages packages.
- There is no exist fee when Consumers decide to transfer to another provider.
- Adelaide Quality Care will not charge Case Management Fee unless it is special / unusual circumstances.
- Adelaide Quality Care charges 10% of the expenses for Self-Managed Consumers.

## **SUSPECTED FINANCIAL ABUSE**

Staff are trained to look for signs of financial abuse when with participants. Staff are also trained to discuss preventive measures with participants. These measures include:

- Ensure they are aware of their rights to confidentiality and privacy.
- Encouraging participants to have networks beyond their family circle.
- Not to relinquish control of their finances if they are still able to manage them themselves.
- Not to make significant financial decisions following a major event (i.e. Loss of a partner).
- Ensure they are aware of their right to refuse people access to their funds.
- Encouraging them to make plans in advance whilst they are still independent.
- Encouraging them to ask for help if they feel overwhelmed, confused or feel they are being taken advantage of.

If any staff member suspects that a participant is being financially abused then the following steps are to be taken:

- Staff to gather evidence and record in participants case notes.
- Contact Managing Director to discuss evidence gathered.
- Managing Director will gather the details of the abuse and write a report of the situation.
- Managing Director to inform the relevant authorities and obtain support for the participant.

## **CONSUMER FEES AND PAYMENTS**

### **Consumers with Home Care Package (HCP)**

#### **Income Funding**

Government sources Adelaide Quality Care – Home Care Package, receives funding from Australian Government's Department of Health funds Home Care Packages.

#### **Funding Grants**

Adelaide Quality Care will widely seek funding as a service provider, in the areas of health and welfare support, to maintain independent living standards for vulnerable residents within the local community.

Adelaide Quality Care's program budgets will allow separate identification of each grant as income and expenditure for the purpose of verification and reporting.

These program budgets will have a defined tenure however financial records are to be kept for a minimum of five years.

Application for Funding Grants is the role of the Managing Director. Acquittal requirements will be managed by the Managing Director in conjunction with the Quality Manager and the Finance Manager.

#### **Client Contribution**

A client may be requested to make contribution for services provided however persons who are assessed as being in need of a funded program service will receive the service, regardless of capacity to pay.

Prior to commencing service the client and/or representative will negotiate a monthly contribution amount with their Support Planner, taking into account the person's individual capacity to pay, equity with other clients, the total effect of the range of liabilities being paid by each client.

The agreed contribution will become the basis for monthly billing and may be renegotiated if necessary. A contribution will not be considered for services of information, advocacy, assessment and review of services unless the client is seeking private services.

Clients may choose to pay for additional support over and above the level offered by the government subsidised program and these services will be considered as private. Where a government funded program provides the supplementary services the full cost as per a private service must be paid, not the usual contribution for a funded service.

Client contributions for funded program services will be levied according to financial capability. Contributions will be accounted for through program budgets, with any outstanding levied contributions considered uncollectible being written off on an annual basis.

The finance sub committee is authorised to approve the writing off of debts deemed uncollectable.

### **Private sources**

Adelaide Quality Care (AQC)'s strategic direction includes the provision of case management and direct services on a fee-for-service basis.

The Managing Director will promote this area of activity, including the production and updating of a relevant prospectus, in order to diversify AQC sources of income.

The decision to provide such services are based on the following considerations –

- capacity to supply relevant staff
- the requirements of the contract are within the skills and competencies of AQC staff
- the requirements of the contract are within AQC policies and procedures, eg. staff would not be contracted out where the work environment exposes staff to significant work health and safety risks.

### **Private Clients**

Client contributions for private case management and service provision will be levied according to actual AQC expense, plus an additional margin.

Private services income will be accounted for through a program budget but considered general income.

No private services will be available without full client payment. Private clients will make regular monthly contribution for services provided.

A Private Services Contract will be agreed and signed between AQC and each private client prior to commencement of services, to ensure that AQC will not incur any unpaid liability as a result of supplying privately provided services.



### **Operational Income**

Income from administrative operations will be accounted for through a program budget but considered general income.

### **Donations, Gifts and Bequests**

AQC employees are not allowed to receive any gifts or bequests from AQC clients.

### **Investment Income**

AQC will not seek income from investment other than to maximise the interest income earned by deposited funds or profit from asset management.

### **Payments and Pricing (NDIS)**

- Adelaide Quality Care must adhere to the NDIA Price Guide or any other Agency pricing arrangements and guidelines as in force from time to time.
- Adelaide Quality Care must declare relevant prices to Participants before delivering a service. This includes declaring any notice periods or cancellation terms. Participants are not bound to engage the services of Adelaide Quality Care after their prices have been declared.
- Adelaide Quality Care can make a payment request once that support has been delivered or provided.
- No other charges are to be added to the cost of the support, including credit card surcharges, or any additional fees including any 'gap' fees, late payment fees or cancellation fees. These requirements apply to all Adelaide Quality Care regardless of whether funding for the support is managed by the participant, or managed by a Adelaide Quality Care, or managed by the Agency.
- A claim for payment is to be submitted within a reasonable time (and no later than 60 days from the end of the Service Booking) to the Participant or to the NDIS
- Adelaide Quality Care will not charge cancellation fees, except when specifically provided in the NDIA Price Guide.
- Adelaide Quality Care and Participants (except for those that are self-managing) cannot contract out of the Price Guide. Where there are any inconsistencies between the Service Agreement and the Price Guide, the Price Guide prevails.

- Where required, Adelaide Quality Care will obtain a quote for services and have this approved by the Participant.

## **MONITORING, EVALUATION AND REPORTING**

Adelaide Quality Care exhibits a continuous improvement culture to facilitate the improvement of its services and processes. Stakeholder's input is pursued and when received it is reviewed immediately.

All Adelaide Quality Care's policies are reviewed annually and take into account the input from all stakeholders. Policy reviews also take into account the results attained through monitoring and evaluation, and changes in legislation.

## **REFERENCES**

- Work Health and Safety Act 2011
- Australian Securities Industry Council (financial abuse)
- Provider Registration Guide to Sustainability
- Terms of Business for Registered Providers NDIS
- Privacy Act (1988)
- NDIS Practice Standards and Quality Indicators 2018
- Corporations Act 2001
- Aged Care Act 2014

# Financial Management Guidelines

At times certain consumers may require assistance with their finances (E.G. Paying Bills, Banking, and/or Shopping). Staff must follow these guidelines and the procedures below when financially assisting a consumer (either alone or with the consumer's assistance):

- Staff are at NO TIME allowed access to a consumer's personal identification number (PIN) or use an ATM on the consumer's behalf.
- Financial assistance may only be offered if it is documented in the consumer's care plan.
- If a consumer requests financial assistance and it is not documented in their care plan, staff must contact the office for approval.
- Transaction receipts must be obtained and given to the consumer for the following:
  - Money received.
  - Money spent.
  - Money returned.
- The staff member must be sure to count the money in front of the consumer on receipt and return.
- Staff must record all financial transactions carried out for consumers in the Financial Transaction Register (FTR) (if in use) and in the consumer's progress notes. Records must be documented clearly, accurately, and immediately.
- Staff must not give financial advice to consumers or their companions or act as a witness for any legal documents.
- Staff must not accept money or gifts from consumers.

## STAFF PROCEDURE

- Immediately record the amount of money you receive from the consumers (cash, cheque, voucher etc) in the FTR or, if no FTR in use, record in consumers progress notes.

- Count any cash carefully in front of the consumer.
- Consumer and staff member to sign the entry; confirming the correct details have been recorded.
- Staff to complete the transaction and obtain transaction receipts.
- Staff to carefully count out and return any money and all transaction receipts to the consumer.

## **FINANCE MANAGER PROCEDURE**

If a request for financial assistance is made by a consumer and there is no record of a financial assistance agreement in the consumers care plan, the following steps are taken:

- If the service is conducted on behalf of another agency, approval must first be sought from the on-call coordinator for the agency.
- If there are no other agencies involved, then the request must be considered on the basis of:
  - Service agreement
  - Need/Urgency
  - Consumer safety
  - Time available
- All details of the consumers request and the final decision must be documented in the consumers progress notes and care plan.