



**MINING & ENERGY UNION
QUEENSLAND DISTRICT
BRANCH**

Document No:	Final
Developed:	15 December 2020
Revision:	18 January 2022
Approved:	9 March 2022

UNION EXPENDITURE POLICY (Incorporating Procurement and Delegations)

MINING & ENERGY UNION QUEENSLAND DISTRICT BRANCH

UNION EXPENDITURE POLICY {Incorporating Procurement and Delegations} (Executive Officers, Additional Officers, Board of Management Members & Staff Employees)

This document forms part of the Mining & Energy Union Queensland District Branch internal control policies and procedures.



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1. Background

The following policy framework has been developed in accordance with the obligation under National CFMMEU Rule 24A which require the Mining & Energy Union Queensland District Branch (*'the Union'*) to have internal control policies and procedures relating to the expenditure of the Union.

The policy has been approved by the Administration Committee of the Union and is to be made available to Members of the Union by publication on the Union's website.

The purpose of this policy is to:

- a) Promote the best and most efficient use of Union resources in the protection and advancement of Members' social and economic interests.
- b) Provide a clear set of policies and standards that are understood by and apply by all Officials and Employees of the Union.
- c) Adopt clear and transparent policies, practices and decision-making structures regarding the finances of the Union.
- d) Provide for a hierarchy of authority regarding approvals for purchasing goods and services and expenditure of Union monies, including identifying levels of delegation.
- e) Adopt tendering and procurement guidelines that ensure probity and value for money when purchasing goods and services.
- f) Ensure clear guidelines exist and are applied in relation to expenditure of funds, cash management, use of credit facilities (including credit cards) and reimbursement of expenses.
- g) Engage Members in the governance of their Union and ensure that Members are aware of the policies of the Union relating to expenditure.

2. Applicability

This policy applies to Executive Officers, Additional Officers, Board of Management Members & Staff Employees (*'Employees'*) of the Union.

3. Exclusions

Nil.

4. Actions and Responsibilities

All payments made within the Union are expected to:

- Comply with the Rules of the Organisation.
- Comply with applicable policies of the Union.
- Be in the best interests of the Members of the Union.
- Represent appropriate value for the goods and services provided.
- Have appropriate authorisation.
- Maintain all required accounting records.



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- Maintain all relevant supporting documentation.
- Maintain safe custody and care of Union owned property.
- Not bring the Union into disrepute.

5. Fraud and Corruption Controls

The Union has implemented and maintains a control framework to ensure the safeguarding of Union assets and appropriate protection against fraud and corruption. These controls include (but are not limited to):

- Separation of duties.
- Appropriately skilled and trained Employees.
- Appropriate accounting systems.
- Proper authorisation processes.
- Clear permissions and delegation framework.
- Independent external oversight of processes and transactions (audit).
- Independent internal review (internal audit).
- Conflict of interest management and declarations by Employees.
- Policy implementation and review.

6. Authorisation and Documentation

Authorisation for all Union expenditure and asset purchases is to be made in accordance with the Union rules. All payments incurred must be appropriately signed and authorised.

The Union Finance Team will keep all completed transactions, reconciliations, receipts or invoices for at least seven (7) years after the transaction takes place, or such other period as required under the *Fair Work (Registered Organisations) Act*.

7. Major Union Expenses

7.1. Payroll – Officers/Officials

Salaries and employment conditions for Officers/Officials are set by employment contracts.

7.2. Payroll – Staff Employees

Salaries and employment conditions for Staff Employees (other than Officers/Officials) will be negotiated by the District Administration Committee.

7.3. Payroll – General

Management of supporting payroll processes, forms and approvals will be undertaken by the Finance Manager and Finance Assistant in absence of Finance Manager. Payments will be made to Employees in accordance with the specified terms contained in relevant Employment Contracts. Changes outside of pre-approved Employment Contracts and termination pays will require authorisation from the District Administration Committee.



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7.4. Legal Expenses

Legal Expenses are incurred by the Union in conjunction with defending the rights of Members in the workplace and/or the Union.

7.4.1. Case Selection

All Members are equally important, but when deciding on which legal matters to pursue, a process of prioritising legal cases based on certain attributes will be undertaken. These will include (but not limited to);

- Number of Members affected.
- Financial outcomes expected for Members.
- Expected cost of running case.
- Potential impact on industrial relations legislation and case law.
- Union capacity to perform the necessary work.

7.4.2. Legal Fees

The Union will spend money on external legal advice to supplement the in-house resources employed by the Union. This may be where specific expertise is required or potential court appearances require specialist skills.

7.4.3. Reporting and Review

Ongoing review of the outcomes, costs incurred, and likelihood of success will be undertaken by the Senior Legal Officers throughout the case with regular reporting updates provided to the District Senior Vice President. Invoices received in relation to legal cases are to be reviewed by the Legal Assistant to ensure they are appropriate and consistent with the work being undertaken.

7.5. Union Events and Entertainment

In the ordinary course of business, the Union may hold events. These events may be to (but not limited to) train and educate Members, entertain Members, entertain guests, Officers/Officials, and Staff or other such reason that is deemed appropriate. These events may be held within Union premises or at external venues. In line with the general expenditure principles all events and entertainment expenditure must be for a valid reason and:

- In the interests of the Union.
- Provide the appropriate value for money for services provided.
- Be available to only guests appropriately invited.
- Meet all record keeping requirements for audit and tax purposes.

7.5.1. Entertainment and Event Types

Acceptable types of entertainment include:

- Union lunches and dinners.
- Union drinks events.
- Employees recognition/entertainment events.



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- Event hospitality (sporting, cultural and political events).
- Other entertainment types as pre-approved by the Administration Committee.

Acceptable types of Events include:

- Conferences.
- Member engagement events.
- Training events.
- Working events (such as working meals).
- Other event types as pre-approved by the District Administration Committee.

7.5.2. Authorisation of Entertainment and Event Expenditure

Entertainment expenses may be incurred either by the issuance of invoices or incurred on Union issued credit cards in accordance with the Credit Card Policy. Expenses that are made which are not in accordance with this policy will be deemed to be unauthorised and will be required to be repaid by the Employees in question.

7.6. Building Expenses

The Union owns commercial and residential properties as part of our investment strategy. Ownership of such properties also allows the Union to minimise rental costs associated with operating the Organisation. The Union believes that proper management of real estate assets is important to ensure safety standards are met, and that the value of the building is not negatively impacted through neglect. To assist in properly managing the operation of the building portfolio, the Union will engage a property manager.

7.7. Travel Expenses

Refer to the Union Travel Policy

7.8. Motor Vehicle Expenses

Refer to the Union Motor Vehicle Policy

7.9. Credit Card

Refer to the Union Credit Card Policy

7.10. Loans, Grants and Donations

From time to time the Union may provide loans, grants or donations in accordance with the Union rules and legislative requirements.

7.11. Sponsorship and Fundraising Events

From time to time the Union may sponsor or attend fundraising events, activities, etc. Sponsorships are provided on the basis of a commercial benefit from the sponsorship payment or the Union purchases an auction item or prize at a fundraising event.



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8. Union Assets

Union assets are to be acquired in line with the Union rules and for a purpose that is in the best interest of the Union, which provides appropriate value to the Union and meets the required needs of the intended user. A register of assets will be maintained outlining:

- Date of acquisition.
- Cost, including addition capital costs associated with the asset.
- Expected useful life.
- Custodian (as appropriate).
- Supporting documentation and authorisation.

Assets acquired are to be purchased in the name of the Union and to remain in the property of the Union until their useful life is complete or they are disposed of in accordance with the policies of the Union. Custodians and users of Union assets are to take necessary precautions to ensure their protection and safety. Any damage is to be reported to the District Secretary or Finance Manager immediately. Any wilful neglect of Union assets may lead to disciplinary action. Reasonable private use of Union assets is allowable unless expressly excluded. Any such exclusion will be provided in writing to the custodian/user.

Disposals of Union assets are to be made by an authorised person(s) only (the District Administration Committee), be in the interest of the Union and provide reasonable value for the asset being disposed (taking in to consideration its age, condition, useful remaining life and market available for sale).

Assets may be sold to Employees or Members for reasonable consideration. Assets with little or no residual value may also be given to Employees or Members at no cost.

9. Preferred Suppliers

Preferential consideration may be given to suppliers by the Union in circumstances whereby these suppliers have previously provided goods or services which may form part of a larger project or longer-term strategy. For example – building upgrades that are being undertaken progressively. In such circumstances, it may only be necessary to obtain one (1) quote provided that the costs are consistent with previous work, and that they still represent good value to the Union.

10. Payment Methods

The Union will make payments in accordance with the Union rules through the use of commonly accepted payments methods. Including:

- EFT (including international transfers as required).
- Credit Card.
- Cheques.
- Petty Cash.



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Where petty cash funds are used, the funds are to remain in a secure place, be properly reconciled regularly and used only for legitimate Union purposes. Each expense will be accompanied by a completed summary slip and with the appropriate receipt attached.

11. Next Review Date: March 2023

Record of Policy Review and Amendments			
Date	Reference	Nature of Review/Amendment	Approved By
15 December 2020	Approval	Developed Policy in new format	Administration Committee
27 February 2021	Approval	Review of Policy in new format	Board of Management Committee
9 March 2022	Approval	Review of Policy in new format	Board of Management Committee