



# EXPENSE POLICY



## Purpose

This policy provides guidance to all Insight Early Learning (IEL) employees incurring expenses or engaging suppliers on behalf of the organisation.

It ensures that:

- All expenditure is for legitimate business purposes
- Spending remains within approved budgets and delegations
- Appropriate authorisation, documentation, and accountability are maintained
- IEL funds are used efficiently, transparently, and in line with legal and financial obligations.
- IEL is committed to responsible financial management to ensure effective use of resources, sustainability, and compliance across all services.

## Scope

This policy applies to all IEL employees and contractors who incur or approve expenses, including Centre Directors, Assistant Directors, and Leadership Team members.

## Legislative Requirements

Regulation / Legislation	Description / Requirement
<b>Education and Care Services National Law Act 2010</b>	Requires approved providers to ensure effective governance and financial management to support the operation of education and care services.
<b>Education and Care Services National Regulations 170</b>	Approved providers must ensure all staff members follow the service's policies and procedures.
<b>Education and Care Services National Regulations 171</b>	Policies and procedures must be kept available for staff and families to ensure transparency and accountability.
<b>Fair Work Act 2009 (Cth)</b>	Establishes standards for employer obligations regarding lawful expenditure, employee reimbursements, and appropriate record keeping.
<b>Corporations Act 2001 (Cth)</b>	Requires companies to maintain accurate financial records that explain transactions and financial position.
<b>Australian Taxation Office (ATO) Requirements</b>	Outlines compliance for expense reimbursements, fringe benefits tax (FBT), and travel allowances.
<b>Australian Accounting Standards (AASB)</b>	Requires accurate and transparent reporting of financial transactions and controls.
<b>Privacy Act 1988 (Cth)</b>	Protects personal information collected in relation to financial records and expense claims.

## Relevant National Quality Standard (NQS) Elements

Quality Area 7: Governance and Leadership		
1.2	Management Systems	Systems are in place to manage risk and enable the effective management and operation of a quality service, including transparent and responsible financial processes.
1.3	Roles and Responsibilities	Roles and responsibilities are clearly defined, understood, and support effective decision-making and accountability in financial matters.
2.1	Continuous Improvement	Ongoing evaluation and review of financial systems (such as audits and expense monitoring) support continuous improvement and

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		compliance.
2.3	Development of Professionals	Employees are informed and trained on proper financial procedures, ensuring accountability and ethical conduct when using organisational funds.

## Implementation

All employees must exercise sound judgment and act with integrity when spending IEL funds. Expenses must:

- Relate directly to IEL business operations
- Be necessary, reasonable, and provide value for money
- Remain within approved budgets and delegated authority
- Be supported by valid tax invoices or receipts
- Be consistent with IEL’s Code of Conduct and Governance expectations
- Personal or non-business expenditure will not be reimbursed.

### Budget Compliance and Approval of Additional Spend

All expenditure, including travel and operational purchases, must remain within the approved budget.

Any spend outside the regular budget allowance or expected to exceed the approved amount must receive prior written approval from the Area Manager before a commitment or purchase is made.

Written approval (email confirmation is sufficient) must be retained as part of the supporting documentation.

Expenses made without prior approval may be deemed non-reimbursable.

### Unplanned or Emergency Expenditure

In exceptional circumstances where immediate spending is required to ensure safety or business continuity, employees may proceed with reasonable expenditure prior to contacting the Approved Provider.

Direct line manager must be notified as soon as practicable after the expense occurs.

A written explanation and receipts must be submitted within 48 hours.

The expense will be reviewed to confirm it was necessary and reasonable.

Ongoing or recurring costs from emergency expenditure must be incorporated into the next budget cycle.

### Travel for Work-Related Purposes

Employees may be required to travel for work-related purposes such as centre support, training, conferences, or meetings. IEL aims to ensure that travel is approved, cost-effective, and safe.

### Approval & Booking

All travel must be pre-approved by the line manager.

Bookings should use IEL’s preferred suppliers where possible.

Economy class flights and moderately priced accommodation should be selected.

### Allowable Expenses

Accommodation, transport, and meals when travelling overnight;

- Transfers, parking, and tolls for business purposes.
- Non-Reimbursable Expenses:
  - Alcohol, mini-bar, entertainment, personal phone calls, or family travel;
  - Room service or expenses not directly related to work.

### Per Diem Allowance

When travelling overnight, employees may receive a per diem allowance for meals and incidental costs not otherwise provided.

The per diem rate will align with the ATO reasonable travel allowance rates and will be reviewed annually.

Employees cannot claim both a per diem and actual meal expenses for the same period.

Receipts are not required when claiming a per diem within approved rates.

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## Health, Safety & Conduct

Employees must follow IEL's Code of Conduct and health and safety requirements while travelling.

## Car Allowance and Vehicle Use

Employees receiving a car allowance are compensated for the cost of using and maintaining their personal vehicle for work purposes.

Mileage or fuel costs are not reimbursed for standard travel covered by the allowance.

Vehicles must be registered, roadworthy, and insured for business use.

Travel between home and the regular workplace is not claimable.

Extraordinary travel outside normal duties may be approved for reimbursement with prior written approval from the CFO or Managing Director.

Employees using company vehicles must comply with the Vehicle Usage Policy and maintain accurate trip records.

## Expense Categories and Allowable Spend

Expenses are limited to business-related activities that support IEL operations. Examples include:

- Travel and accommodation for work purposes;
- Meals and incidentals during authorised travel;
- Professional development (approved training, conferences);
- Operational supplies directly supporting education and care delivery;
- Communication and technology costs where pre-approved;
- Business hospitality directly related to stakeholder or parent engagement (pre-approved only).
- Excluded Expenses (not reimbursable):
- Personal items, clothing, or entertainment;
- Alcoholic beverages;
- Family or companion travel;
- Traffic fines, speeding tickets, or parking infringements;
- Unapproved gifts, donations, or personal subscriptions.

## Expense Approvals

Expense Type / Value	Approval Required
Up to \$1000	Centre Director (within budget)
\$1000 - \$5,000	Area Manager
Over \$5,000	Managing Director / CFO

## Expense Reimbursement Process

All expense claims must be submitted within 7 days of the expense being incurred or return from travel.

Claims must include valid receipts or tax invoices.

Expense Claim Forms must clearly describe the purpose of the expenditure and be approved by the relevant manager.

Approved claims will be reimbursed through payroll or accounts payable in the next payment cycle.

Claims without sufficient documentation or approval will not be processed.

## Credit Card Use and Controls

IEL prefers all supplier payments via invoice on 30-day terms.

Where a corporate credit card is issued:

- Cards must only be used for approved business purchases;
- Receipts must be retained and submitted monthly before the first day of the following month
- Receipts can be submitted as costs are incurred
- No personal use is permitted;
- Lost or stolen cards must be reported immediately to Accounts and the CFO;
- Misuse may result in card suspension and disciplinary action.

## Supplier Engagement and Invoicing

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Use existing approved suppliers where possible (Schedule 1).  
 Review budget to confirm funds are available.  
 Obtain quotes for purchases above \$1,000.  
 Seek area manager approval for all new or unbudgeted spend.  
 Submit invoices to: accounts@insightel.com.au for processing once goods/services are received.

### Expense Review and Audit

All expense claims and payments are subject to review and audit by the Finance Team. IEL reserves the right to:  
 Request additional information to validate claims;  
 Decline claims deemed non-compliant; and  
 Recover funds where inappropriate expenditure has occurred.

### Non-Compliance

Failure to comply with this policy — including unauthorised expenditure, falsified receipts, or personal use of company funds — may result in disciplinary action and repayment of funds.

### Environmental and Ethical Considerations

Employees are encouraged to make responsible choices when spending IEL funds, such as:  
 Using sustainable suppliers;  
 Minimising single-use items; and  
 Opting for virtual meetings where travel is not essential.

### Record Keeping and Retention

All receipts, invoices, and supporting documents must be retained for a minimum of seven (7) years and made available for audit or compliance review.

## Related Policies

- Fraud Prevention Policy
- Governance Policy
- Privacy and Confidentiality Policy
- Credit Card Policy
- Vehicle Usage Policy
- Code of Conduct
- Review
- Policy Reviewed: October 2025
- Next Review Date: October 2026
- Modifications:
  - Added detailed sections on travel, per diem, and car allowance
  - Added budget compliance and emergency spend controls
  - Introduced approval hierarchy and reimbursement process
  - Included environmental and ethical spending guidance
  - Reformatted for clarity and organisational alignment

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