



## **POLICY 4.1: FINANCE**

Submitted for Ratification at Board Meeting	<b>27<sup>th</sup> September 2018</b>
Next Review Due	<b>2021</b>

### **RATIONALE:**

The school must remain financially viable, manages risks effectively and ensure resources are targeted to where they make the most difference to outcomes for students, and in keeping with the Special Character of the College and the Strategic Plan.

### **GUIDELINES:**

1. The Board of Trustees has overall responsibility for the financial management of the school. The Principal is the day-to-day manager of the school and responsible for achieving legislative requirements and charter/strategic aims and targets within board policy objectives and Proprietor's requirements.
2. The financial viability of the school must be protected at all times, and every practicable effort is made to eliminate the risk of theft or fraud.
3. The Board delegates the day-to-day management of the school's finances and budget to the Principal. Financial reports are to be prepared ahead of every board meeting.
4. The Principal, in association with the Finance sub-committee, is responsible for recommending an annual operating and capital budget to the board within the timelines specified in the Finance sub-committee terms of reference.
5. The Principal is required to ensure robust, clear procedures are in place to safeguard the integrity of financial management.

### **PROCEDURES:**

The Board of Trustees will:

1. Elect a Finance sub-committee to oversee financial operations. The sub-committee will meet prior to each Board of Trustees meeting and will present a report to the full Board at its monthly meeting. The Finance sub-committee's proceedings will be minuted.
2. Authorise accounts payable by the College and have that minuted.
3. Ensure annual financial reports are prepared, independently audited, and made available to the Ministry of Education and community.
4. In terms of legislative requirement, refer to the Ministry of Education website for information on managing school finances and the Financial Information for Schools Handbook (FISH).

The Principal will:

1. Present the Board with an annual budget for their approval.
2. Have in place a system to monitor expenditure.
3. Ensure tagged/committed funds are not used for purposes other than those approved
4. Ensure more funds than have been allocated in the fiscal year are not spent without prior board approval.
5. Ensure no one person has complete authority over the school's financial transactions.
6. Ensure that the College operates a robust financial system with all key processes and procedures in place and documented.
7. Ensure effective systems are in place to meet the requirements of the payroll system
8. Ensure that when making any purchase of over \$10 000 over budget on a single capital item, or disposal of such item, board approval is first sought
9. Maintain a procedural manual which will be reviewed biannually by the Property and Finance subcommittee. This will include:
  - a. Segregation of duties
  - b. Asset management procedure
  - c. Cash management, sensitive expenditure and credit card procedure
  - d. Schedule of delegation
  - e. Theft and fraud procedure
  - f. Travel and entertainment procedures
  - g. Reporting