



Cash Management Policy

Policy Statements

1. The Board accepts that it has a responsibility to protect the cash resources of the School. The Board has delegated responsibility for the implementation and monitoring of this Policy to the Principal.
2. In the formulation and approval of this Policy the Board has had due regard to the accepted standards of sound financial management and applied these to the School.
3. The Board requires the Principal, as the chief executive and the Board's most senior employee, to implement and manage this Policy. The Principal may, from time to time, further delegate some of his/her responsibilities.

Cheque and Call Deposit Accounts

1. The Board agrees that one cheque account shall be operated for Board general receipts and payments. The only other cheque account permitted shall be for any trust funds held by the school.
2. The signatories to this cheque account shall be any two of the following:
 - All members of the Senior Leadership Team.
3. Under no circumstances is a cheque signatory to sign a blank cheque.
4. All cheques, except those for petty cash reimbursement, must be issued as 'Not Transferable – Account Payee Only'.
5. At no time shall the cheque account be operated in overdraft without permission from the bank and the Ministry if the overdraft exceeds the borrowing limits.
6. Interest bearing deposit accounts shall be operated to hold cash resources not currently required for operating purposes. This account is only to be operated by the Principal or Executive Officer, with any transactions reported by the Principal at the next Finance Committee meeting.

Investments

7. Investments of School funds may only be made in accordance with the terms of Section 73 of the Education Act 1989.
8. Notwithstanding the requirements of Section 73, no investments may be made in equity stocks or in synthetic money market products (e.g. Forward Rate Agreements and Interest Rate Swaps).
9. Investments may only be made with the written authorisation of the Principal and another member of the SLT and must be acknowledged by the Board Chairperson.

Fundraising

10. The Board acknowledges that under Section 73 of the Education Act 1989 some professional fundraising contracts constitute an illegal fundraising contract. No such fundraising contract will be entered into by the School. If doubt exists about the legality of a proposed fundraising contract, the Principal will contact the regional Financial Adviser of the Ministry of Education for advice.

Cash Receipts

11. All cash and cheques received must be paid into the school office and properly receipted. This includes trading income, other local funds receipts and reimbursements for learning materials.
12. No cash received can be used to pay accounts in cash.
13. Only delegated staff may handle cash.
14. All receipts must be banked as soon as possible and preferably within one working day of receipt.
15. All cash and cheques kept on the premises must be kept secure and under the control of a delegated person.

Accounts for Payment

16. All accounts for payment, other than expense reimbursements and attendance fees, must be supported by a copy of the:
 - official school order form
 - the invoice, with certification by the orderer that each item has been received, prices and quantities are correct and the payee details are correct
 - the correctly completed cheque ready to be signed.

17. Invoices must be certified by the person who authorises the expenditure. Vouchers shall be signed by any authorised signatory, provided that person has not signed the order of invoice as well.
18. Expense reimbursements must be certified by the manager of the individual being reimbursed provided the certifier has delegated authority to sign. An expense claim should be supported by GST receipts or invoices. Claims for the use of private motor vehicle usage must be certified by the Principal or delegate to indicate that approval was given. Scale rates as per the award will be the basis of reimbursement per kilometre.

Petty Cash

19. A petty cash fund of no more than \$300 shall be held.
20. Reimbursement claims from the petty cash fund shall not exceed \$50 and must be accompanied by a receipt and approved petty cash voucher.
21. Petty cash advances will only be made for amounts up to \$50. They must have an approved petty cash voucher. A receipt for the actual expense with any unspent cash must be provided within 2 working days of the advance.

Accounting Records

22. The Principal shall arrange for proper accounting records to be maintained. The records must satisfy all requirements specified in Acts of Parliament, financial reporting standards and other applicable standards.
23. The financial system must be so organised by the Principal that the Principal and Chairperson can sign without hesitation the annual Statement of Financial Responsibility as required by Section 155 of the Crown Entities Act 2004.

Periodic and Annual Financial Statements

24. For each calendar month the Principal shall prepare financial reports showing:
 - Statement of Financial Performance, including comparison to budget
 - a summary Statement of Financial Position.
25. For each Finance/Property Committee meeting the Principal shall present a written summary report that describes:
 - key (financial) achievements from the previous month
 - expectations for the month ahead and
 - significant matters and/or risks that must be addressed by the School.
26. This report shall be presented to the Finance Committee no later than three clear working days before the Finance and Property Committee meeting, and tabled at the next meeting of the Board.
27. Any recommendations made to the Board for the purchase of fixed assets, investments and other use of cash resources must take into account the impact on the School's present cash resources and projected cash flows for the next 12 months.

Reviewed & approved at Board of Trustees meeting held on: 3 May 2017

Signed:  (Mel Sutherland, Board Chair)

Review Date: April 2019