

Greymouth High School Board of Trustees

Finance Policy



Policy Statement

The Greymouth High School Board of Trustees effectively manages the school's finances and assets and uses them to achieve the school's priorities established in the Charter. This includes maintaining accountability for and control of the school's financial resources and safeguarding the assets of the school.

1. Financial Objectives

1. To keep expenditure within the approved budget, clearly reporting all variances in a timely manner and promptly taking appropriate corrective action as and when required.
2. To ensure a register of delegated authorities is kept current and followed.
3. To ensure all relevant accounting and reporting standards comply with Public Sector Accounting Standards and deadlines are followed.
4. To ensure the accounts are audited annually following procedures promulgated by the Ministry of Education.

2. Fixed Assets

1. Items of property, plant and equipment with individual values agreed by the Board (at the time of policy approval in excess of \$1500) are capitalised on purchase.
2. Other items with an individual value below the amount agreed in point 1 are expensed with the exception of furniture, fittings that are purchased in quantity where the total value exceeds the amount agreed in point 1. This is to reflect their significant total value as a percentage of the total assets held by the school.
3. Minor sports, electronic and teaching equipment even when purchased in quantity, are recorded as a learning resource expense and not capitalised on purchase. This reflects the need for regular replacement of these items and their overall low value when compared to the total fixed asset holding.
4. An inventory of minor assets will be maintained for insurance and school planning purposes.
5. An asset purchase and replacement plan is developed, regularly reviewed and followed.

3. Board Responsibilities

The Board of Trustees retains primary responsibility for the finances of the school in accordance with governance obligations. It delegates authority and responsibility for the day-to-day management of the finances and this policy to the Principal while retaining an overseeing and monitoring role. The Principal may further delegate some of their responsibilities in which case all such delegations will be in writing and signed by the Principal and person delegated the responsibilities.

The Board is specifically responsible for the following financial activities:

1. Approving finance policy, annual budgets and financial delegations.
 2. Ensuring the school's finances are well managed within each annual budget approved by the Board of Trustees.
 3. Approving any proposed expenditure in excess of budget levels or budgeted expenditure that would result in a reduced bottom line if income reduces.
4. Ensuring that reports comply with public sector accounting standards and that the annual financial statements are presented to the Auditor and Ministry of Education on time.

5. Management

Budget Development

1. Develop a budget, ensuring consultation with budget holders, by 28 February in each school year that reflects the results sought and the priorities established by the Board.
2. Ensure this annual budget is discussed with and approved by the Board of Trustees.
3. Ensure the Board is fully aware of all aspects of funding entitlements.

Financial Control

1. Monitor budget control and cash flow.
2. Ensure clear and concise monthly financial reports are presented to the Board including explanations of any deviations (or expected deviations) from approved budgets and ensure they are available prior to the Board or Committee meeting.
3. Maintain and regularly update delegated authorities and ensure all staff members with delegated authorities understand their responsibilities.
4. Ensure no one person has complete authority over the school's financial transactions.
5. Ensure expenditure on items that are not covered in the current budget is approved by the Board of Trustees before committing to expenditure. Exception will be in an emergency where urgent repairs or a crisis situation needs to be dealt with in which case the Principal will discuss the matter with the Board Chair and Chair of the Finance Committee prior to money being committed.
6. Ensure all money owed to the school is collected in a timely manner.
7. Ensure the school meets the requirements of the auditor and Ministry of Education for the preparations of the Annual Report and Financial Statements.

Asset register

Oversee the maintenance of the asset register ensuring records are accurate, timely and complete. Following the auditors approval of the year-end accounts the asset register is to be presented to the Finance/Property Committee for review.

6. Specific responsibilities Delegated to the Finance/Property Committee

The Finance/Property Committee of the Board of Trustees will operate within the Terms of Reference and delegations established by the Board of Trustees. The Committee will take responsibility for overseeing and monitoring the school's financial and property resources, commitments and obligations (including West Coast Trades Academy as Lead Provider). The Committee will report to and provide advice to the Board on financial and property matters.

Procedures and Documentation

The Principal will keep current a financial procedures document which complies with all relevant school policies, legislation and Ministry of Education guidelines on financial management including Theft and Fraud procedures. The Principal will also ensure staff members affected by these procedures are fully aware of the contents as they relate to them.

Specific Policy Areas

In general, the finance procedures document for Greymouth High School covers the implementation details for all areas of the finance policy. The following clarifies the school's position on specific financial policy areas not addressed elsewhere.

Sponsorship and Fundraising

Fundraising activities undertaken on behalf of the school must meet all legislative requirements to which the Board of Trustees is bound including the financial accountability and reporting standards through following the general school procedures for financial management and accounting. The Board also meets the requirements of external funding agencies such as Charitable Trusts.

There will be two types of fundraising-Minor and Major

- Minor fundraising involves raising less than \$5000 and is undertaken by a small group of students, staff and parents e.g. rugby team or school activity
- Major Fundraising involves raising more than \$5000.
(note applications to external agencies usually require Board approval and will follow the established procedures outlined in the Financial Procedures document).
- Any person involved in fundraising on behalf of the school will carry appropriate authorisation and identification.

Travel

- Any travel expenditure incurred must be directly related to school business.
- The benefit the school receives from the travel must be acceptable in relation to the cost incurred.
- Travel related expenses incurred by individuals will be reimbursed on the receipt of a travel reimbursement claim form which, when required, will be accompanied by a receipt.
- Staff required to travel on school business should not suffer any negative financial effect.
- Any air points earned during school related travel should be used to offset future school related travel costs where practical.

Giving Gifts

- Any gifts should be purchased through normal school purchasing processes.
- A register shall be maintained and periodically reviewed by the Board of all gifts purchased, the cost of the gift, the purpose of the gift, and the recipient.
- The cost of a gift must be reasonable and in line with the purpose and benefit.

Receiving Gifts

- Any gifts given to the school remain the property of the school.
- Gifts should not be accepted if they could be seen as inducement, placing either the school or an individual under an obligation.
- Gifts of smaller financial value (under \$80) given by students/families to teachers or to other staff members in appreciation of their efforts may be retained by the individual concerned.
- Gifts of higher value should be acknowledged by the Board and received where appropriate on behalf of the school as a whole.
- A register of all gifts in excess of \$80 value must be maintained.

Credit Cards

Credit cards are only issued to staff members after being authorised by the Board; a register of Card holders must be maintained. The limit set for credit card use must not exceed the overall financial delegation of the cardholder, as set out in the schedule of delegations. Any variations require Board approval.

Upon issue of a card, cardholders must be given a copy of the credit card procedures and are required to sign it off to signify that they have read and understood them.

Entertainment

- Reasonable judgement is to be exercised regarding the nature and amounts of entertainment expenses, which must be appropriate to the circumstances and clearly linked to the business of the school.
- In general, entertainment expenditure will be for the following purposes:
 - building relationships and goodwill
 - representing the school in a social situation
 - hospitality provided in the course of school business to external parties
 - internal social functions.
- Accommodation, catering and other related expenses for any function, conference, seminar, workshop training course or other meeting must be fully defensible by both those organising and approving the event.
- Alcohol may be purchased by the school for entertainment purposes provided it is intended for modest consumption by staff and guests at school hosted events and has prior approval of the Principal. (Ref: Health and Safety Policy)

Theft and Fraud Prevention

1. The Board accepts that it has a responsibility to protect the physical and financial resources of the school. The Board has agreed that through its chief executive, the Principal, the school has a responsibility to prevent and detect theft and fraudulent actions by persons who are employed or contracted by the school, or who are service recipients of the school. The Board requires that any investigation into any theft or fraudulent actions will be conducted in a manner that conforms to the principles of natural justice and is procedurally just and fair.
2. The Board therefore requires the Principal to establish systems and procedures to guard against the actions of theft and fraud. Any actions of theft or fraud are to be reported to the Board Chairperson.
3. As preventative measures against theft and fraud the Principal is required to ensure that:
 - The School's physical resources are kept secure and accounted for.
 - The School's financial systems are designed to prevent and detect the occurrence of fraud. All such systems must meet the requirements and standards as set out in the Crown Entities Act 2004 and of generally accepted accounting practice promulgated and supported by the Institute of Chartered Accountants of New Zealand.
 - Staff members who are formally delegated responsibility for the custody of physical and financial resources by the Principal are competent to carry out such responsibilities and that such persons are held accountable for the proper execution of their responsibilities.
 - All staff members are aware of their responsibility to immediately inform the Principal should they suspect or become aware of any improper or fraudulent actions by staff, suppliers, contractors, students or other persons associated with the School.
 - Any allegation concerning the Principal should be made to the Board Chairperson. The Chairperson will then investigate in accordance with the requirements of the established procedures in the Financial Procedures document.
 - Any allegation concerning a member of the Board of Trustees should be made to the Principal. The Principal will then advise the manager of the local office of the Ministry of Education and commence an investigation in accordance with the requirements of the established procedures in the Financial Procedures document.

Monitoring of Compliance

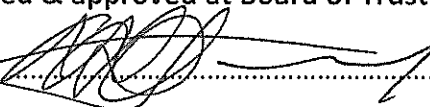
The Board monitors the implementation and effectiveness of this policy through reports and commentaries from the Principal and Finance/ Property Committee on -

- The School's financial position (monthly and including West Coast Trades Academy)
- Variances against budgets
- Operations funding
- Additional funding
- Payroll matters
- Fundraising
- Annual financial statements

The Board expects that the following documents outlining management policies and procedures or practices exist in the school and are regularly reviewed by management. These documents will be available to the Board on request.

Supporting Documentation	Procedures
Financial Information for Schools Handbook FISH Minutes of the Finance/Property Committee	Financial management and administration procedures inc. Theft and Fraud procedures Asset Register Inventory of minor assets Asset purchase and replacement plan IT purchase and replacement plan Ministry of Education Operations Grant and Staffing Advice notices Schedule of Delegations WCTA management document

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

Signed:  (Mel Sutherland, Board Chair)

Review Date: April 2019

