



## **FINANCIAL & PROPERTY MANAGEMENT POLICIES**

### **RATIONALE:**

This policy documents how the **Wellington Seventh Day Adventist School Board of Trustees** will ensure that it meets its obligations under *National Administration Guideline 4* to:

- i. Allocate funds to reflect the school's priorities as stated in the Charter.
- ii. Monitor and control school expenditure, and ensure that annual accounts are prepared and audited as required by the *Public Finance Act* and the *Education Act*.
- iii. Comply with the negotiated conditions of any current asset management agreement, and implement a maintenance programme to ensure that the school's buildings and facilities provide a safe and healthy learning environment for students.

### **Financial Planning Policy**

The board of trustees has overall responsibility for the financial management of the school but delegates the day-to-day management of the school's finance's and budget to the principal. The principal, in association with the Finance Committee, is responsible for recommending an annual operating and capital budget to the board within the timelines specified in the Finance Committee terms of reference.

Budgeting shall not fail to reflect the annual plan, risk financial jeopardy nor fail to show a generally acceptable level of foresight.

Thus the budget should:

1. reflect the results sought by the board
2. reflect the priorities as established by the board
3. comply where the board's requirement is for a balanced budget
4. demonstrate an appropriate degree of conservatism in all estimates

Review schedule: Triennially

**Financial Condition Policy**

The financial viability of the school must be protected at all times. The board understands that the possibility of theft or fraud cannot be entirely eliminated however the principal is required to show there are in place safeguards and robust, clear procedures to minimise the risk of either event.

**Resource:** Reference should be made to 5.4 of the Financial Information for Schools Handbook (FISH). Therefore, the principal must ensure that:

1. unauthorised debt or liability is not incurred
2. generally accepted accounting practices or principles are not violated
3. tagged/committed funds are not used for purposes other than those approved
4. more funds than have been allocated in the fiscal year are not spent without prior board approval
5. all money owed to the school is collected in a timely manner
6. timely payment to staff and other creditors is made
7. unauthorised property is not sold or purchased
8. all relevant government returns are completed on time
9. no one person has complete authority over the school's financial transactions
10. when making any purchase:
  - of over \$1000, comparative prices are sought
  - of over \$1000, an adequate review on ongoing costs, value and reliability is undertaken
  - of over \$1000, on a single item board approval is first sought
11. effective systems are in place to meet the requirements of the payroll system

Review schedule: Triennially

**Asset Protection Policy**

Assets may not be unprotected, inadequately maintained or unnecessarily risked. The principal is delegated day to day responsibility for ensuring that the programming and funding of general maintenance of the school grounds, buildings, facilities and other assets occurs in order to provide a clean, safe, tidy and hygienic work and learning environment for students and staff. Accordingly, the principal must:

1. all board assets are insured
2. not allow unauthorised personnel or groups to handle funds or school property
3. not subject plant and equipment to improper wear and tear or insufficient maintenance or inappropriate use
4. maintain an up to date asset register for all items of furnishing, plant machinery, equipment, text and library books costing more than \$500.00
5. ensure the implementation of the 10 year property maintenance plan
6. engage sufficient property maintenance staff for the school within budget limitations
7. receive board approval for maintenance contracts over \$5000 for any one contract
8. conduct competitive tenders for all contracting

- 9. protect intellectual property, information and files from loss or significant damage or unauthorised access or duplication
- 10. not receive, process or disburse funds under controls that are insufficient to meet the board-appointed auditor's standards
- 11. not invest or hold operating capital in insecure accounts, or in non-interest bearing accounts except where necessary to facilitate ease in operational transactions

Review schedule: Triennially

**The Board of Trustees will ensure procedures for the following are developed and implemented:**

- 4.01 Financial Management**
- 4.02 Property Management**
- 4.03 Fixed Asset Management**
- 4.04 Theft & Fraud Prevention**
- 4.05 Sensitive Expenditure**
- 4.06 Staff Reimbursements**
- 4.07 Learning Support and TFEA Funding**
- 4.08 Storage of Dangerous Goods**
- 4.09 Use of Facilities and Borrowing School Equipment**
- 4.10 School Hazards**

**CONCLUSION:**

Compliance with all relevant *National Administration Guidelines* and the current relative *Acts* will ensure the Board, through the Principal, develops and implements high quality financial and property management procedures for the school.

Date Policy Confirmed.....19/9/2017.....

Date Policy to be Reviewed.....2020.....

Signed BOT Chairperson..........