

NAG 4

Finance

According to legislation on financial and property matters, each Board is also required in particular to...

- a) Allocate funds to reflect the school's priorities as stated in the charter.
- b) Monitor and control school expenditure, and ensure that annual accounts are prepared and audited as required by the Public Finance Act 1989 reviewed 2020 and the Education Act 1989 now Education and Training Act 2020;
and
- c) 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, healthy learning environment for students.

ARIA SCHOOL

- NAG 4 (Finance) Folder Contents -

Document Name	Type	Review Cycle	Next Review
• NAG 4 Finance Statement	MOE Statement	N/A	
• Financial Management	Policy*	3yr	July 2024
• Finance Committee	Terms of Reference	3yr	July 2024
• Annual Reports	Report	Annually	See office file
• Asset Register / Inventory	Register	Annually	Education Services
• Collection & Storage of Money	Procedure	3yr	
• Insurance	Agreement	3yr	MOE
• Purchasing Goods	Procedure	3yr	July 2024
• Theft & Fraud Prevention	Policy	3yr	July 2024
• Protected Disclosures	Policy	3yr	July 2024
• Board Payments	Statement	3yr	July 2024
• Payroll	Statement	3yr	July 2024
• Ministry Funding	Statement	3yr	July 2024
• Purchase of Equipment or Resources/Fixed Assets	Statement	3yr	July 2024
• Ordering & Purchase System	Procedure	3yr	July 2024
• Cash Management	Policy	3yr	July 2024
• Asset Protection Policy	Policy	3yr	July 2024
• Financial Condition Policy	Policy	3yr	July 2024
• Financial Planning Policy	Policy	3yr	July 2024
• Sensitive Expenditure Policy	Policy	3yr	July 2024

* Suggested information to include...

- Specify budget limits
- Budget line authority (ies)
- Finance committee membership
- Fees
- Financial timeline

Reviewed: July 2021

Next Review: July 2024

ARIA PRIMARY SCHOOL

Policy Statement: FINANCIAL MANAGEMENT

Nag 4: Finance

The Board is responsible for the utilisation and control of available financial resources for the benefit of the school community.

Guidelines:

1. Each year a budget is prepared based on the goals set in the Charter and Strategic Plan, and presented to the full Board for approval.
2. *Timeline...*

Quarterly	- Review current budget
October – November	- Prepare budget for the following year
November – December	- Budget approved at final meeting of year
3. Clear procedures are established for the management of each sector of the budget i.e. Curriculum, Personnel, Property.
4. Audit trails (Ordering and Purchasing Systems) are provided for all expenditure within guidelines set annually.
5. Monthly financial statements (including statement of financial position and statement of financial performance), bank reconciliation and a list of creditors is presented to the Board at regular meetings.
6. Systems are in place to account for all monies collected by the school e.g. petty cash, stationery accounts, camp fees, etc.
7. By 31st March each year a set of accounts is prepared and presented for audit to the appointed auditor. The Board employ Education Services as their accountant.
8. The school's written procedures are actively practised and reviewed for compliance, as stated under National Administration Guideline 2 – Self Review.
9. The draft annual accounts are presented at the first meeting following completion.
10. The final annual accounts are presented at the first meeting following completion.
11. Statement of Responsibility signed by Principal and Board Chair on return of FINAL accounts from Auditor.
12. By 31st May each year, a copy of the annual report is sent to the MOE.

Reviewed: July 2021

Next Review: July 2024

Aria School

Finance Committee Terms of Reference

Nag 4: Finance

Responsibility of the Board

The Board has overall responsibility for the financial management of the school but delegates the day-to-day management of the school's finance and budget to the principal.

The finance committee as a committee of the board is responsible for providing guidance to the principal for financial matters.

Purpose of the Finance Committee

The finance committee was formed to provide guidance to the principal in the financial management of the school.

Delegated Authority

The finance committee is responsible to the board for:

- 1) Recommending, in association with the principal, an annual operating and capital budget, including professional development budget allocation for the principal and the staff.
- 2) Determining the level of budgetary discretion available to the principal.
- 3) Monitoring and reporting on the annual budget.
- 4) Reviewing on behalf of the board accounts passed for payment by the school. Advising on additional funding sources.
- 5) Recommending changes to financial policy.
- 6) Overseeing the preparation of the annual accounts for board approval.
- 7) Providing input into the school's strategic plan.
- 8) Preparing special reports for consideration by the board.
- 9) Annually reviewing the school's risk management needs and insurance cover, and
- 10) Assessing and making recommendations to the board on requests for spending on individual items outside of budget.

Review Schedule: Triennially

Compliance Reporting

The principal is responsible for financial reporting and demonstrating budget compliance. Where there is non-compliance, variances are to be reported to the board, with recommendations on the actions required to meet compliance.

Finance Committee Annual Calendar

Date	Action Required
14 February	All relevant information for Audit to have been sent to Accountant.
15 – 31 March	Draft Accounts from Accountant to Board.
31 March	Annual Accounts prepared and forwarded to the auditors.
30 April	Annual review of 10-year property plan completed by the property committee and available as an input document for budgeting purposes. Note: This should also encompass normal cyclical maintenance and capital works.
31 May	Digital copy of audited accounts sent to the MOE. Community reporting on financial performance.
30 June	Ensure any issues raised by the auditor have been addressed.
31 August	Annual review of risk management needs and insurances.
31 October	Initial annual budget recommendations submitted to the board.
30 November	Annual plan available as an input document for preparation of the budget.
30 November	Revised annual budget (if required) submitted to the board for approval.

Reviewed: July 2021

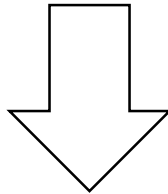
Next Review: July 2024

Aria School

Procedure for Completion of Annual Financial Reports

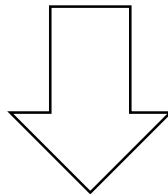
NOVEMBER

- Start to gather information for year-end financial statements e.g., inventory lists, library stock list, fixed asset register.
- Review and tidy finances to minimise the number and value of payable, receivable and associated accruals.
- Refer to checklist for records required.



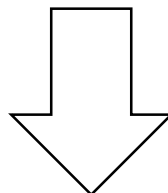
JANUARY/FEBRUARY

- Complete Analysis of Variance.
- Obtain Principal's and Chairperson (or combined) Reports.
- Send all relevant financial information to Education Services
- Ensure Auditor is provided with Letter of Representation (Liaise directly with Auditor).



FEBRUARY/MARCH

- Draft Annual Financial Report prepared by Education Services and forwarded to Board for approval (time permitting).
- Education Services Draft Annual Financial Report to Auditor by **31st March (Statutory Deadline)**.



APRIL/MAY

- Board approves Draft Annual Financial Report subject to Auditors adjustments.
- Auditor completes audit of annual financial report and liaises with Education Services for any adjustments.
- Final audited annual report adopted by Board, Principal and Chairperson sign Statement of Financial Responsibility.
- Board provides audited annual report, including the Analysis of Variance and audited financial statements to local office of MOE by **31st May**.

Procedure: PURCHASE OF EQUIPMENT OR RESOURCES

Nag 4: Finance

- ◆ All items purchased over \$1000 must be approved by the Board.

- ◆ Items less than \$1000 value to be purchased on a need to basis within confines of the Budget. Must be approved by the Principal.

FIXED ASSETS

The Fixed Asset Register forms part of the financial accounts.

All assets that are purchased over \$500 must be recorded on the fixed asset register.

Assets that are disposed of must be removed from the Fixed Asset Register.

This register must be monitored on a regular basis.

Reviewed: July 2021

Next Review: July 2024

Procedure: COLLECTION & STORAGE OF MONEY

Nag 4: Finance

- ◆ All money must be sent to the office at the beginning of the school day.

- ◆ Information accompanying the money to the office must indicate...
 - purpose for what the money is to be used for
 - the names of the students who have brought the money
 - the amount of money being paid

- ◆ Money belonging to staff or the students is stored in a safe and secure place.

- ◆ All money received by the office should be recorded and receipted accordingly.

- ◆ The banking of school monies should be carried out as required. It is not advisable to have large sums of cash on school premises (\$500.00 or greater is stored in a safe off school grounds, due to lack of local banking facilities).

- ◆ Receipts must be issued to all people who send money to school for amounts exceeding \$10.00. Amounts less than \$10.00 are to be registered in a book with receipts, send if requested.

Reviewed: July 2021

Next Review: July 2024

Nag 4:

Finance

INSURANCE

All the school buildings and property are covered by the Ministry insurance scheme.

The funding for this is deducted from our Operations Grant before we receive it.

Refer to... Lumley Insurance

www.lumley.co.nz/keepsafe

– Risk Management for current information.

The Schoolhouse is insured with F.M.G.

Reviewed: July 2021
Next Review: July 2024

Procedure: ORDERING and PURCHASE SYSTEM

Nag 4: Finance

Audit Trail

ACTION	Personnel	Documentation
Need established	Principal/Staff	
Quote obtained (if required)	Principal/Staff	Written Quote
Purchase Order completed and Goods ordered	Principal/Staff	Purchase Order Book
Goods arrive at school and checked against Purchase Order	Office Manager	Packing Slip or Invoice
Packing Slip / Invoice signed off as correct	Principal/Staff	Signed Invoice
Statement arrives. Attach Invoice & Purchase Order Coded	Office Manager Principal – sign & code	Statement
Table Accounts at Board Meeting. Payment approved prior or retrospectively	Board	Minutes
Creditors entered into monthly schedule for payment.	Office Manager	Ed Services Schedules
Creditor paid. Cheque No., Code & Payment	Office Manager	Ed Services Schedules
Record purchases over \$500 in Asset Register	Office Manager, Principal and Board Chairperson	Asset Register
Statement – copy to Board Treasurer and Office files. Original sent to Accountants	Office Manager	Outward Correspondence

NOTES...

- Payments by Internet Banking require dual authorisation.
- Bank statement reconciled.
- Coding of accounts may be done by Principal or Office Manager.

Reviewed: July 2021

Next Review: July 2024

Aria School Protected Disclosures Policy

The Board of Aria School (the School) has consulted with staff and parents in the formulation of this Policy (the Policy). The Policy was approved and adopted by the Board at its meeting held on 26 June 2006 and became effective from that date.

Introduction

- 1) The Board accepts that it has a responsibility to have in operation internal procedures for receiving and dealing with information about serious wrongdoing in or by the School. The Board also accepts that it must regularly educate and train its employees on the internal disclosure system.
- 2) All staff to receive a copy or made aware of this policy.
- 3) The purpose of this policy is to provide information and guidance to employees of the School who wish to report serious wrongdoing within the school. The policy is issued in compliance with the Protected Disclosures Act 2000 and the Education Act 1989.

What is a Protected Disclosure

- 4) A protected disclosure is a declaration made by an employee where they believe serious wrongdoing has occurred.

Definition of Serious Wrongdoing

- 5) Serious wrongdoing includes any serious wrongdoing of any of the following type:
 - an unlawful, corrupt, or irregular use of funds or resources; or
 - an act, omission or course of conduct that constitutes a serious risk to public health or public safety or the environment; or
 - an act, omission or course of conduct that constitutes a serious risk to the maintenance of law, including the prevention, investigation, and detection of offences and the right to fair trial; or
 - an act, omission or course of conduct that constitutes an offence; or
 - an act, omission or course of conduct by a public official that is oppressive, improperly discriminatory, or grossly negligent, or that constitutes gross mismanagement.

Conditions for Disclosure

- 6) Before making a disclosure the employee should be sure the following conditions are met:
 - the information is about serious wrongdoing in or by the School;
 - the employee believes on reasonable grounds the information to be true or likely to be true;
 - the employee wishes the wrongdoing to be investigated; and
 - the employee wishes the disclosure to be protected.

Who can make a Disclosure

- 7) Any employee of the school can make a disclosure. For the purposes of this policy an employee includes:
 - current employees and Principal;
 - former employees and principals; and
 - contractors supplying services to the school.

Protection of employees making disclosures

- 8) An employee who makes a disclosure and who has acted in accordance with the procedure outlined in this policy:
- may bring a personal grievance in respect of retaliatory action from their employers;
 - may access the anti-discrimination provisions of the Human Rights Act in respect of retaliatory action from their employers;
 - are not liable for any civil or criminal proceedings, or to a disciplinary hearing by reason of having made or referred to a disclosure; and
 - will, subject to paragraph 15 in the Procedure, have their disclosure treated with the utmost confidentiality.
- 9) The protections provided in this section will not be available to employees making allegations they know to be false or where they have acted in bad faith.

Procedure

- 10) Any employee of the School who wishes to make a protected disclosure should do so using the following procedure:
- 11) *How to submit a disclosure*
The employee should submit the disclosure in writing.
- 12) *Information to be contained*
The disclosure should contain detailed information including the following:
- the nature of the serious wrongdoing;
 - the name or names of the people involved; and
 - surrounding facts including details relating to the time and/or place of the wrongdoing if known or relevant.
- 13) *Where to send disclosures*
A disclosure must be sent in writing to the Principal who has been nominated by the Board under the provision of Section 11 of the Protected Disclosures Act 2000 for this purpose.
OR
If you believe that the Principal is involved in the wrongdoing or has an association with the person committing the wrongdoing that would make it inappropriate to disclose to them, then you can make the disclosure to the Board Chairperson.
- 14) *Decision to investigate*
On receipt of a disclosure, the Principal or Board Chairperson must within 20 working days examine seriously the allegations of wrongdoing made and decide whether a full investigation is warranted. If warranted a full investigation will be undertaken by the Principal or Board Chairperson or arranged by him/her as quickly as practically possible, through an appropriate authority.
- 15) *Protection of disclosing employee's name*
All disclosures will be treated with the utmost confidence. When undertaking an investigation, and when writing the report, the Principal or Board Chairperson will make every endeavour possible not to reveal information that can identify the disclosing person, unless the person consents in writing or if the person receiving the protected disclosure reasonably believes that disclosure of identifying information is essential:
- to ensure an effective investigation; or
 - to prevent serious risk to public health or public safety or the environment.
- 16) *Report of investigation*
At the conclusion of the investigation the Principal will prepare a report of the investigation with recommendations for action if appropriate, which will be sent to the Board Chairperson.

17) *Disclosure to an appropriate authority in certain circumstances*

A disclosure may be made to an appropriate authority (including those listed below) if the employee making the disclosure has reasonable grounds to believe:

- The Board Chairperson is or may be involved in the wrongdoing;
- Immediate reference to another authority is justified by urgency or exceptional circumstances; or
- There has been no action or recommended action within 20 working days of the date of the disclosure.

Appropriate Authorities include (but are not limited to)

- Commissioner of Police
- Controller and Auditor General
- Director of the Serious Fraud Office
- Inspector General of Intelligence and Security
- Ombudsman
- Parliamentary Commissioner for the Environment
- Police Complaints Authority
- Solicitor General
- State Service Commissioner
- The head of any public sector organisation

18) *Disclosure to Ministers and Ombudsman*

A disclosure may be made to a Minister or an Ombudsman if the employee making the disclosure has made the same disclosure according to the internal procedures and clauses of this Policy and reasonably believes that the person or authority to whom the disclosure was made:

- has decided not to investigate; or
- has decided to investigate but not made progress with the investigation within reasonable time; or
- has investigated but has not taken or recommended any action;
- and the employee continues to believe on reasonable grounds that the information disclosed is true or is likely to be true.

Approval

- 19) When the Board approved this Policy it agreed that no variations of this Policy or amendments to it can be made except with the unanimous approval of the Board.
- 20) As part of its approval the Board requires the Principal to circulate this policy to all staff, and for a copy to be included in the School Policy Manual, copies of which shall be available to all staff. The School policy manual shall also be made available to students and parents at their request. The Board requires that the Principal arrange for all new staff to be made familiar with this Policy and other policies approved by the Board.

Reviewed: July 2021

Next review: July 2024

Theft and Fraud Prevention Policy

Aria School Theft and Fraud Prevention Policy

The Board of Aria School (the School) has consulted with staff and parents in the formulation of this Policy (the Policy). The Policy was approved and adopted by the Board at its meeting held on 26 June 2006 and became effective from that date.

Introduction

- 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 accepts 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. The Principal is to report such actions to the Board Chairperson as prescribed in the procedures set out below.

General

- 3) As preventative measures against theft and fraud the Board requires the Principal to ensure that:
 - a) The School's physical resources are kept secure and accounted for.
 - b) 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 Public Finance Act 1989, Section 45C(b) and of generally accepted accounting practice promulgated and supported by the Institute of Chartered Accountants of New Zealand.
 - c) Staff members who are formally delegated responsibility for the custody of physical and financial resources by the Principal are proven competent to carry out such responsibilities and that such persons are held accountable for the proper execution of their responsibilities.
 - d) 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.
- 4) In the event of an allegation of theft or fraud the Principal shall act in accordance with the following procedures:
 - a) Decide to either immediately report the matter to the New Zealand Police or proceed as outlined in this paragraph.
 - b) So far as it is possible and within 24 hours:
 - i) Record the details of the allegation, the person or persons allegedly involved, and the quantity and/or value of the theft or fraud.
 - ii) Request a *written statement* from the person who has informed the Principal, with details as to the nature of the theft or fraud, the time and circumstances in which this occurred, and the quantity and/or value of the theft.
 - iii) Decide on the initial actions to be taken including consulting with the person who provided the information and, if appropriate, confidentially consulting with other senior members of staff about the person who is the subject of the allegation.
 - iv) Inform the Board Chairperson of the information received and consult with them as appropriate.

- c) On the basis of advice received and after consultation with the Board Chairperson, the Principal shall decide whether or not a *prima facie* case of theft or fraud exists, and if not, to document this decision and record that no further action is to be taken.
 - d) The Principal shall then carry out the following procedures:
 - i) Investigate the matter further in terms of procedures as set out in sub-paragraph (d);
 - ii) If a *prima facie* case is thought to exist to continue with their investigation;
 - iii) Invoke any disciplinary procedures contained in the contract of employment should the person be a staff member;
 - iv) Lay a complaint with the New Zealand Police;
 - v) If necessary, commission an independent expert investigation;
 - vi) In the case of fraud, require a search for written evidence of the possible fraudulent action to determine the likelihood or not of such evidence;
 - vii) Seek legal advice; or
 - viii) Inform the Manager, National Operations, Ministry of Education local office and/or the school's auditors.
 - e) Once all available evidence is obtained the Principal shall consult the Board Chairperson. The Board Chairperson may, if they consider it necessary, seek legal or other advice as to what further action should be taken.
 - f) If a case is considered to exist the Principal or a person designated by them shall, unless another course of action is more appropriate:
 - i) Inform the person in writing of the allegation that has been received and request a meeting with them at which their representative or representatives are invited to be present.
 - ii) Meet with the person who is the subject of the allegation of theft or fraud and their representatives to explain the complaint against them.
 - iii) Obtain a verbal or preferably a written response (all verbal responses must be recorded as minutes of that meeting, and the accuracy of those minutes should be attested by all persons present).
 - iv) Advise the person in writing of the processes to be involved from this point on.
- 5) The Board recognises that supposed or actual instances of theft or fraud can affect the rights and reputation of the person or persons implicated. All matters related to the case shall remain strictly confidential with all written information kept secure. Should any delegated staff member or any other staff member improperly disclose information the Principal shall consider if that person or persons are in breach of confidence and if further action is required. Any action the Principal considers must be in terms of the applicable conditions contained in their contract of employment and any code of ethics or code of responsibility by which the staff member is bound.
- 6) The Board affirms that any allegation of theft or fraud must be subject to due process, equity and fairness. Should a case be deemed to be answerable then the due process of the law shall apply to the person or persons implicated.
- 7) Any intimation or written statement made on behalf of the School and related to any instance of supposed or actual theft or fraud shall be made by the Board Chairperson who shall do so after consultation with the Principal and if considered appropriate after taking expert advice.

Allegations Concerning the Principal or a Trustee

- 8) Any allegation concerning the Principal should be made to the Board Chairperson. The Chairperson will then investigate in accordance with the requirements of paragraph 4 of this Policy.
- 9) Any allegation concerning a member of the Board 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 paragraph 4 of this Policy.

Approval

- 10) When the Board approved the Policy it was agreed that no variations of this Policy or amendments to it can be made except by the unanimous approval of the Board.
- 11) As part of its approval the Board requires the Principal to circulate this Policy to all staff, and for a copy to be included in the Aria School Policy Manual, copies of which shall be available to all staff. The school policy manual shall also be made available to students and parents at their request. The Board requires that the Principal arrange for all new staff to be made familiar with this Policy and other policies approved by the Board.

Reviewed: July 2021

Next Review: July 2024

Nag 4:

Finance

BOARD PAYMENTS

Board payments are made on a per meeting basis. The amount as set down by the Board.

This payment is usually made in December.

Reviewed: July 2021
Next Review: July 2024

Nag 4:

Finance

PAYROLL

The payroll is paid by Novopay on a fortnightly basis.

A Staff Usage and Expenditure (S.U.E.) Report is received each fortnight.

There are 2 areas to this report...

- i) Paid by bulk funding i.e. the school bank account. This includes the Office Manager, Teacher Aides, Cleaner, and caretaker.
- ii) The remainder is the teaching staff wages that are paid directly by the Ministry.

It is important for the Principal/Office Manager to check this report regularly to ensure the correct people are being paid at the correct amounts and from the correct areas above. Spot checks to be made by the Chairperson.

The PAYE requirements are all fulfilled by Novopay.

All amounts shown on the report are inclusive of PAYE, ACC etc.

Reviewed: July 2021
Next Review: July 2024

Nag 4:

Finance

MINISTRY FUNDING

Funding is received from the Ministry of Education 4 times a year (quarterly) on ...

1st January, 1st April, 1st July and 1st October

This is all the bulk funding the school receives.

Certain amounts are fixed and other amounts depend on the number of children at the school.

Refer to the installment notice sent out each quarter for further details.

The funding will be either topped up or deducted from on 1st October depending on the number of children at the school on 1st July in the financial year.

All funding received is inclusive of GST.

Reviewed: July 2021

Next Review: July 2024

Appendix 4 – Cash Management Policy

Aria School Cash Management Policy

The Board of Aria School (the School) has consulted with staff and parents in the formulation of this Policy (the Policy). The Policy was approved and adopted by the Board at its meeting held on 31 October 2006 and became effective from that date.

Introduction

- 1) The Board accepts that it has a responsibility to protect the cash resources of the School. The Board has agreed on the fundamental principles of this Policy, and 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. The Board wishes to record that it sought the advice of a chartered accountant and consulted with the School's auditor in their role as agent of the Controller and Auditor General before approving this Policy.
- 3) The Board requires the Principal to implement and manage this Policy. The Principal may, from time to time, further delegate some of their responsibilities.
- 4) This Policy must be read in conjunction with other Board Policies, and the exercising of all authority and responsibilities conferred under this Policy must be in accordance with the Schedule of Delegations and may not exceed an individual's established level of delegated authority.

Accounts – Main, Term Investment and Savings

- 5) The Board agrees that one "main" account shall be operated for Board general receipts and payments.
- 6) The 2 signatories to this main account shall be as follows:
 - the Board Chairperson
 - the treasurer
 - the Principal
 - the Office Manager
- 7) At no time shall the main account be operated in overdraft without minuting and not more than 10% of Ops Grant.

Investments

- 8) Investments of School funds may only be made in accordance with the terms of Section 73 of the Education Act 1989.
- 9) 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).
- 10) Investments may only be made with the written authorisation of the Principal and the Board.

Accounts for Payment

- 11) All accounts for payment, other than expense reimbursements and attendance fees, must be supported by a copy of the:
 - official school order form if appropriate
 - the invoice, with certification by the orderer that each item has been received, prices and quantities are correct and the payee details are correct
- 12) Expense reimbursements must be certified by the Principal. 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. Scale rates as per the award will be the basis of reimbursement per kilometre. Principal's expense reimbursement to be certified by Chairperson or Treasurer.

Accounting Records

- 13) 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.
- 14) 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.

Reviewed: July 2021

Next Review: July 2024

Aria School Financial Planning Policy

Nag 4: Finance

The Board has overall responsibility for the financial management of the school but delegates the day-to-day management of the school's finance 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. This budget will include a professional development budget allocation for the principal and the staff.

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 not neglect to:

1. reflect the results sought by the board
2. reflect the priorities as established by the board
3. comply with the board's requirement of a balanced budget
4. ensure adequate working capital
5. demonstrate an appropriate degree of conservatism in all estimates

Adopted: July 2021

Next Review: July 2024

Aria School Asset Protection Policy

Nag 4: Finance

Assets may not be unprotected, inadequately maintained or unnecessarily risked. The Board is responsible for over viewing the programming and funding of general maintenance of the school grounds, buildings, facilities and other assets to provide a clean, safe, tidy and hygienic work and learning environment for students and staff. Accordingly, the principal may not:

1. fail to insure assets
2. allow unauthorised personnel or groups to handle funds or school property
3. subject plant and equipment to improper wear and tear or insufficient maintenance or inappropriate use
4. fail to 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. fail to ensure the implementation of the 10 year property maintenance plan
6. fail to engage sufficient property maintenance staff for the school within budget limitations
7. fail to receive board approval for maintenance contracts over \$5000 for any one contract
8. fail to conduct competitive tenders for all contracting
9. fail to protect intellectual property, information and files from loss or significant damage or unauthorised access or duplication
10. receive, process or disburse funds under controls that are insufficient to meet the board-appointed auditor's standards
11. invest or hold operating capital in insecure accounts, or in non-interest bearing accounts except where necessary to facilitate ease in operational transactions

Adopted: July 2021

Next Review: July 2024

Financial Condition Policy

Nag 4: Finance

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.

Reference should be made to the Financial Information for Schools Handbook (FISH). Therefore, the principal must not:

1. incur unauthorised debt
2. violate generally accepted accounting practices or principles
3. use tagged funds for purposes other than those approved
4. spend more funds than have been allocated in the fiscal year without prior board approval
5. fail to ensure all money owed to the school is collected in a timely manner
6. fail to make timely payment to staff and other creditors
7. sell or purchase unauthorised property
8. fail to ensure all relevant government returns are completed on time
9. fail to ensure that no one person has complete authority over the school's financial transactions
10. make any purchase of over \$1000 on a single item without first seeing board approval

Adopted; July 2021

Next Review; July 2024

Aria Primary School Sensitive Expenditure Policy

Adopted by the Board on July 2018

The Board of Aria Primary School has consulted with staff and parents in the formulation of this Policy. The Policy was approved and adopted by the board at its meeting held on the above date and became effective from that date.

Introduction

1. The board agrees that it has a responsibility to ensure that all expenditure of board funds is clearly linked to the business of the school and does not at any time provide unreasonable and personal benefit from those funds to any individual or group of individuals (staff or students).
2. The board acknowledges that at times there are expenses which may be considered to be beneficial only to individuals or small groups of individuals. These may include expenses in relation to travel or to koha, gifts and other payments to individuals.
3. The board has determined that any expenditure which may be considered to be beneficial to individuals or groups of individuals will be carefully scrutinised before approval and will be supported by appropriate fund raising specific to that expenditure.
4. The board has agreed on the fundamental principles of this Policy, and has delegated responsibility for the implementation and monitoring of this Policy to the principal (as the chief executive and the board's most senior employee).

Principles

5. The board requires the principal, where expenditure may be beneficial to an individual or group of individuals, to take account of the following prior to authorising this expenditure:
 - i) Does the expenditure benefit student outcomes?
 - ii) Does the expenditure represent the best value for money?
 - iii) Is it in the budget?
 - iv) Could the board justify this expenditure to a taxpayer, parent or other interested party?
 - v) How would the public react if this expenditure was reported by the media?
 - vi) Would there be perceived to be any personal gain from this expenditure?
 - vii) Does this expenditure occur frequently?
6. Any proposed expenditure which may benefit individuals or groups of individuals will be backed by funds which have been raised for the purpose. The funds will be raised with a full understanding of their purpose known to those contributing the funds – such as parents or other funding sources (eg. Charities). The funds raised will cover all costs (including travel and accommodation costs for teachers who may be involved).

Accounting for expenditure

7. All expenditure which is incurred on behalf of individuals or groups of individuals will be fully accounted for and a separate income statement for management reporting purposes showing all funds raised and expenditure incurred will be provided to the board.

Approval

8. When the board approved this Policy it agreed that no variations of this Policy or amendments to it can be made except with the unanimous approval of the board.
9. As part of its approval the board requires the principal to circulate this policy to all staff, and for a copy to be included in the School Policy Manual, copies of which shall be available to all staff. The School policy manual shall also be made available to students and parents at their request. The board requires that the principal arrange for all new staff to be made familiar with this Policy and other policies approved by the board.

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Schedule of Delegations

1.2 The Board specifically retains these powers

- a. approval of all budgets, and any amendments to these budgets
- b. authorisation of payment of accounts exceeding \$1000
- c. approval of applications for discretionary leave of more than three days;
- d. the termination of employment of any paid employee;
- e. approving applications for grants for additional buildings;
- f. formal agreements with any Ministry of the Crown;
- g. responses to formal communications addressed to the Board or Board Chairperson from government, including requests for information and statutory declarations;
- h. interviews with the media and the distribution of media releases on any matter which involves the School – the board may formally delegate this responsibility to the Principal in relation to specific matters;
- i. the initiation of any legal actions and any communications in relation to these actions;
- j. signature of any formal or legal agreement which is in the name of the School including employment contracts.

1.3 The Board delegates to the Principal:

- a. the day-to-day management of curriculum, resources (including people) and student-related matters within law, regulation and other requirements
- b. achievement of the government's directions and requirements as specified in official educational policy documents;
- c. the appointment of staff provided such appointment is within the budget allocation;
- d. communication with parents, officials, representatives of educational organisations and others with whom the Principal deals as part of their curriculum, resource management and student related responsibilities;
- e. authorisation of payment of accounts not exceeding \$1000
- f. further delegation of specific responsibilities (eg finance) to specified staff positions in writing.

Adopted: July 2021

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