

## **NAG 4 Finance and Property Index**

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## **1) Legislative Compliance**

In order to ensure all legal obligations in relation to financial and property matters are met please follow these procedures:

- Any board member with a pecuniary interest in any matter must be excluded from any meeting of the board while the board discusses, considers anything related to, or decides the matter.
- The Executive Officer will ensure all requirements of the Education Act and the Public Finance Act in preparation of the annual financial accounts are met.
- Budgets should be prepared exclusive of GST. All claims for GST credits will be supported by authentic tax invoices.
- Loans to staff will not be made.
- Investment of surplus funds will be via term deposit with a registered bank only.
- The Executive Officer will provide sufficient information to the Board in any decisions to borrow, to ensure repayments (including interest and principal) are not more than 10% of the annual operating grants (exclusive of GST).

## **2) Budgeting**

In order to ensure annual budgets are set in a timely manner and clearly reflect the strategic goals of the school, please follow these procedures:

- Following preparation of the draft strategic plan, a draft budget should be developed in consultation with the Senior Management Team and Property Manager clearly reflecting the newly developed strategic plan.
- A draft annual budget for the following year should be presented at the December meeting of the Board of Trustees each year.
- Amendments should be made as agreed and the final budget presented for approval at the first Board of Trustees meeting of the year.
- Parents will be advised of donation and activity fees required for the following year once the budget has been presented at the final Board of Trustees meeting.
- Monthly reporting of income/expenditure against budget and financial forecast are completed by the Executive Officer and provided monthly to the Board of Trustees for approval. Reporting to the full Board of Trustees will be for the month prior to each board meeting whenever possible.
- In June/July the Board of Trustees Chairperson, Executive Officer and Principal will meet to discuss progress against budget and decide if a review of budget is required.
- Senior Management Team will review the budget in June/July if required, and present to the Board of Trustees at the following meeting.
- The Board of Trustees may approve expenditure beyond the levels provided for in the annual budget by way of resolution at a scheduled meeting of the Board of Trustees.

### **3) Finance**

In order to ensure the Board of Trustees responsibilities to protect the resources and assets of the school are met, please follow these procedures:

- The Board of Trustees must approve a schedule of delegations, which sets out responsibilities delegated to the principal and specific staff positions. It is the Board of Trustees expectation that delegations made will be properly exercised and persons holding delegations will be held accountable.
- A register of delegations, financial responsibilities, accounting and purchasing procedures is maintained and implemented.
- The Executive Officer will be responsible for maintaining a current asset register.
- An external auditor is engaged.
- Draft annual financial accounts should be available to the Board of Trustees at either meeting one or two.
- Audited annual financial accounts for the previous year are to be available whenever possible.
- The Board of Trustees shall operate one cheque account for all general receipts and payments. Signatories for this account will be the Principal, Executive Officer and DP 1 and DP 2. Payments will be authorised by any **two** signatories.
- Under no circumstances should a cheque signatory sign a blank cheque.
- In all but exceptional circumstances the Principal will oversee all payments.
- Surplus funds held in the cheque account, as identified by the Executive Officer, may be placed on term deposit for periods of less than 12 months or transferred to the savings or call account of the Board of Trustees.
- Designated staff only must handle all cash.
- All accounts for payment must be supported by an order form signed by the budget holder or at least a confirmation of purchase order made via email, and a tax invoice, and must be within agreed budget allocations.

- Budget holders will be provided with regular reports to monitor purchases.
- Any travel expenditure incurred by the school must explicitly benefit the school when considered against the cost. Staff who are required to travel on business must not suffer any negative financial effect.
- Overseas travel must be approved by the Board before it is commenced. A completed and signed checklist (Funding Overseas Travel Using Crown Funding) for each proposed trip must be kept for audit purpose, as well as a copy of the Board minutes of the decision.
- Reimbursements for expenditure and allowances must be agreed in advance where possible, and should follow these guidelines:
  - air travel will always be economy class
  - standard accommodation shall be reimbursed
  - reasonable meal costs will be reimbursed, however alcohol will not be included
  - car expenses will be in terms of the applicable collective contract rates
  - rental of mobile telephones, work related calls and text messages and a reasonable level of personal calls will be paid/reimbursed
  - travel benefits, including airports and loyalty scheme rewards/points (Flybuys etc.) accrued from official travel are only to be used for subsequent travel on behalf of the school. They should not be redeemed for personal use.
  - claims are to be authorised on a one-up basis.

#### **4) Property Management**

In order to ensure the physical environment of the school supports the teaching staff to work toward the school's priorities as stated in the charter and strategic plan, and that a safe and healthy working and learning environment is provided, please follow these procedures:

- A 10-year property plan will be developed, implemented and reviewed annually.
- Annual budgets must include provision for general maintenance, and cyclical maintenance as described in the 10-year plan.
- Funding for major developments will be sought from a variety of sources.
- Property development projects will be:
  - identified and prioritised in line with the charter and strategic plan
  - approved by the Board of Trustees
  - managed within guidelines set out by the Ministry of Education
  - managed by an outside consultant hired to oversee the development and undertaking of capital works outlined under the 5 Year Agreement with the Ministry.

## **5) Contracts**

In order to uphold the integrity of trustees and ensure all school employees are treated equitably, please follow these procedures:

- Where a Board Member has a financial interest in a contract greater than \$25,000, that person will be disqualified from being a school trustee or board sub-committee member unless the Board of Trustees obtains the approval of the Secretary for Education for that contract.
- Contracts for goods and services for periods of 36 months or less will be authorised by the Principal. Contracts beyond this period may be signed by the Principal with prior approval by the Board and provided the contract costs are within the approved annual budget allocation.
- Fundraising contracts should only be entered into where the cost of the contract is a percentage of the funds raised.

## **6) Reporting**

In order to ensure the Board of Trustees has sound information, presented in a timely manner to support decisions, please follow these procedures:

- Financial reports to the full Board will be provided for the month prior to the current meeting where the Board meeting takes place after the 23<sup>rd</sup> of the current month, otherwise, the financial reports for the 2<sup>nd</sup> month preceding the current month will be provided and include any comment from the Executive Officer.
- Reports to the full board should include:
  - monthly income/expenditure summary, including comparison with budget and prior year
  - balance sheet
  - forecast income and expenditure for the rest of the year
  - forecast balance sheet
  - monthly payments/creditors with a list of individual amounts in excess of \$2000 for Board approval
  - monthly bank reconciliation (Chairperson/Principal)
  - banked staffing usage (Chairperson/Principal)
  - summary of activity in each major budget area
  - commentary of any unusual or significant variance between actual and budget amounts not previously highlighted
  - highlighted areas of significant risk that must be addressed by the school and plans for mitigating risk
- Financial reports to budget holders should be provided monthly to ensure an accurate and up-to-date picture of expenditure is available.
- Annual financial reporting shall be completed by the Executive Officer and will meet all deadlines set by the Ministry of Education.

## **6.1) Financial Register**

### **Delegations**

This schedule of delegations was approved by the Royal Oak Primary School Board of Trustees at its meeting on 5 July 2016 and became effective at this date.

#### Delegations retained by the Board of Trustees

- Approval of budgets and amendments to budgets
- Commitment of operating and capital expenditure outside approved budget allocations
- The termination of employment of any paid employee
- Signing of agreements to build
- Signing of any formal or legal agreement which is in the name of the school and must involve the Board
- The transfer of funds from any Board bank account to a term deposit account for a period longer than 12 months
- The appointment of any permanent teaching staff in excess of positions funded by the Ministry of Education Salaries Grants.

#### Delegations to the Principal

- The day-to-day curriculum and resource management of the school and the achievement of the Government's Key Achievement areas and requirements as specified in official educational policy documents
- Approval of payments for goods and services made within approved budget allocations
- Delegation in writing to specific staff positions of responsibilities

#### Delegations to the Executive Officer

- Payment of goods and services purchased within approved budget allocations
- Investment of surplus funds for periods up to 12 months
- Transfer of funds between Board bank accounts
- Liaise with Novopay and MOE with regard to staff pay matters
- Liaise with suppliers/service providers as and when necessary

**6.2)**
**Financial Register**
**Purchasing Procedures**

Budget Holders as follows:

AV/IT/eLearning	Felicity Boyd
Library	Tessa Henry
Literacy	Lynne Gibson
Active Inquiry	Robyn McConnell, Jenni Jamieson
Special Programmes	Jill Shears, Jenni Jamieson, Felicity Boyd
Sports / PE / Health	Candace Cassie
Maori	Kirsty Hardie-Boys
Dance	Amanda Bradly, Aimee Shortt
Mathematics	Sandra Powell
Music	Megan Flint
Visual Arts	Lynne Gibson
Professional Development	Linley Myers
Property	Nick Dowden
General School Administration and Operations	Linley Myers, Nemia Gariando
Capital Expenditure	Linley Myers, Nemia Gariando

**Resources**

Prior to making a request for the purchase of resources, discuss with Team Leaders to ensure these items are not already available for use within the school.

Complete a copy of the official school order form prior to or at the time of ordering, indicating the following:

- Name of Supplier
- Description of items required
- Price and quantity required
- Date required

The budget holder's signature must be obtained before placing the order.

Copy of the order form (white copy) or the order number must be given to the supplier.

On receipt of the goods the items received must be checked against the order form, packing slip/invoice and budget holder must complete the grid stamp on green copy of the order form (indicate at least, date received & initial/signature) if everything is in order. Any discrepancies should be queried with the supplier immediately.

The green copy of order form and packing slip, if any, must be attached to the invoice so all documentation is provided to the Principal who approves payment.

If a backorder exists, the order form must be photocopied and later attached to the invoice relating to the backordered items.

### Services

All requests for services must be supported by a completed school order form. The same procedures for purchase of goods must be followed.

### Reimbursements

Staff may claim reimbursement for purchases that have been pre-approved by the relevant budget holder. Once the item has been purchased, complete a reimbursement form and have the budget holder sign. Send both the reimbursement form and your original tax receipt to the Executive Officer.

**6.3)**

**Financial Register**

**Financial Responsibilities**

Banking and Cash Handling

Open mail	Principal's Secretary
Receipting cash & cheques received	Principal's Secretary
Receipting of all student cash received	Principal's Secretary / Admin Assistant
Preparation of banking	Principal's Secretary / Admin Assistant
Signature of bank deposit	Executive Officer
Deposit of Banking	Executive Officer
Reconciliation of daily receipts with banking	Executive Officer
Periodic bank reconciliation	Executive Officer
Certification of bank reconciliation	Board Trustee
Custody of cash and cheques	Principal's Secretary / Admin Assistant
Authorising reimbursement of petty cash claims	Principal
Reconciliation of petty cash balance	Executive Officer
Transfer to and from investments	Executive Officer
Signing Petty Cash top up cheques	Principal/DP/Executive Officer

Purchasing Goods and Services and Payments

Raising purchase orders/placing phone and/or online orders	Budget Holders
Approving purchase orders (within approved budget)	Budget Holders
Verifying receipt of goods or services	Budget Holders
Approval of invoices for payment	Principal
Signing cheques/authorising payment via electronic fund transfers	Principal, Executive Officer, Deputy Principal
Staff expense claim approval	Budget Holder/Principal

Accounting System

Accounting system daily back-up to server	Executive Officer
Weekly off-site back-up storage	Executive Officer
Monthly history file back-up	Executive Officer

### Payroll

Maintain a file of daily attendance sheets	Executive Officer/Principal
Check of fortnightly SUE report and Banked Staffing Report to ensure that pay instructions are correctly actioned by Novopay.	Executive Officer
Prepare/submit payroll instructions to Novopay	Executive Officer
Keep relevant Novopay forms, relievers timesheets and other documents supporting all data entered on the Novopay online system	Executive Officer
Reconciliation with bank debit with errors followed up	Executive Officer
Verification and signing off of SUE report and transaction reports.	Principal

### Income

Preparation of receivables invoices	Executive Officer
Reconciliation of receivables ledger	Executive Officer
Debt write-off approvals	Principal

### Fixed Assets

Fixed asset purchase approval	Principal/Board
Fixed asset purchase order authorisation	Principal/Executive Officer
Fixed asset invoice certification/approval	Principal
Fixed asset register update	Executive Officer
Annual impairment test of Fixed Assets	Executive Officer

**6.4)****Financial Register****Specific Accounting Policies**

The following specific accounting policies are used in the preparation of annual financial statements.

**Budget Figures**

The budget figures are taken from annual budgets approved by the Board of Trustees.

**Goods and Services Tax (GST)**

The financial statements are prepared on a GST exclusive basis except for receivables and payables which are stated as GST inclusive. The net amount of GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statements of cash flows.

**Statement of Comprehensive Income****Government Grants**

Operations Grants are recorded as income when received. Teachers' Salaries grants are not received in cash by the school but are paid directly by the Ministry of Education to the teachers. They are recorded as income in the salary period they relate to. Grant for the use of land and buildings owned by the Crown is also a non-cash grant which equate to the notional value for the provision of land and buildings.

**Other Grants**

Other grants are recognised as income received unless there are unfulfilled conditions attached to the grant, in which case the amount relating to the unfulfilled conditions is recognised as a liability and transferred to income as conditions are fulfilled.

**Donations**

Donations are recorded as revenue at the point when their receipt is formally acknowledged by the School.

**Interest Income**

Interest income on cash and cash equivalents and investments is recorded as revenue in the period it is earned.

**Operating Lease Payment**

Payments made under operating leases are recognised in the Statement of Comprehensive Income on a straight line basis over the life of the lease.

### Finance Lease Payments

Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is calculated using the effective interest rate and is spread across the life of the lease.

### Use of Land and Buildings Expense

This is a non-cash expense that is offset by a non-cash grant received from the Ministry. The property from which the School operates is owned by the Crown and managed by the Ministry on behalf of the Crown. The School thus recognises in its accounts a notional value for the use of the land and buildings as an occupancy expense. The expense is based on an assumed market rental yield on the value of the land and buildings as used for rating purposes.

### Depreciation

One of the principles of financial reporting is that the cost of purchasing an asset is spread across the life of the asset. Charging depreciation is the accounting method used to reflect this annual cost.

Property, plant and equipment, except for the library resources, are depreciated on a 'straight-line basis' – this means their cost is spread over their estimated useful life in equal annual instalments.

The categories used by the school, and the estimated useful life for each are:

Buildings/Building Improvements	10-75 years
Office Equipment/Other Equipment	5-10 years
Classroom Equipment	3-10 years
Computer Equipment/ICT	3-10 years
Furniture and Fittings	5-10 years
Grounds Equipment	5-10 years
Sports Equipment	3-10 years
Library	Diminishing value basis at 12.5% per annum
Leased assets held under a Finance Lease	3-5 years

### Gain/Loss on Disposal of Property, plant and equipment

Where a fixed asset is disposed of (i.e. sold or given away), the gain or loss recorded in the Statement of Comprehensive Income is calculated as the difference between the sale price (if any) and the carrying amount of the fixed asset (ie. the assets recorded value less any accumulated depreciation).

### Teachers' Salaries

All salaries are recognised in the statement of Comprehensive Income whether they are paid directly by the School or not. Where the payments are made in ways other than through the School, the Statement of Comprehensive Income is adjusted to take account of the revenue and expense component of the transaction – this means that although the bulk of teachers' salaries are paid by the Ministry of Education directly to teachers (without the cash ever passing through the School accounts), these payments are made on behalf of the School and are therefore recorded by the School.

## **Statement of Financial Position**

### **Assets**

#### **Cash and Cash Equivalent**

The amount shown for “cash and cash equivalent” is the total of cash on hand, bank balances and other short term highly liquid investments with original maturity of three months or less. The carrying amount of cash and cash equivalents represent fair value

#### **Investments**

Bank term deposits for periods exceeding 90 days are classified as investments and are initially measured at the amount invested. Interest is subsequently accrued and added to the investment balance. After initial recognition bank term deposits are measured at amortised cost using the effective interest method less impairment.

Investments are held with registered trading banks and are classified as current assets if they have maturities of between three months and one year. Those with maturities greater than 12 months after the balance date are classified as non-current assets.

After initial recognition any investments categorised as available for sale are measured at their fair market value without any deduction for transaction costs the school may incur on sale or other disposal.

At balance date the School assesses whether there is any objective evidence that an investment is impaired. Any impairment loss is recorded as an expense in the Statement of Comprehensive Income.

All investment activities carried out by the School must meet the requirements of section 73 of the Education Act 1989.

#### **Accounts Receivable**

‘Accounts receivable’ are items that the School issues invoices for, or accrued for, but have not received payment for, at the balance date. They are stated at their estimated/expected realisable value, which means that the amount stated is the figure the School realistically expects to receive (it should not include those items that are considered bad debts). Where there is sufficient evidence that the school will not be able to collect a receivable, a provision for impairment of Account Receivable is established.

#### **Inventory**

Inventories are consumable items held by the School for sale. They are stated at the lower of cost and net realisable value. Cost is determined on a first in, first out basis. Net realisable value is the estimated selling price in the ordinary course of activities less the estimated costs necessary to make the sale. The write down from cost to net realisable value is recorded as an expense in the Statement of Comprehensive Revenue and Expense.

### Property, Plant and Equipment

Property, plant and equipment are items that will provide service for longer than 12 months and which cost more than \$500.

Property, plant and equipment are recorded at cost or, in the case of donated assets, are at their fair value less accumulated depreciation and impairment losses. Cost includes the purchase cost, or fair value as the case may be, and those costs that relate directly to bringing the asset to the location and condition necessary where it will be used, and making sure it is in the appropriate condition for its intended use (e.g. installation or set-up costs).

Property, plant and equipment acquired with individual values under \$500 are not capitalised, i.e. they are not recorded as property, plant and equipment. Instead, they are recognised as expense in the Statement of Comprehensive Revenue and Expense.

Land and buildings owned by the Crown are excluded from the School's financial statements. The Board's use of the land and buildings as 'occupant' is based on a property occupancy document/agreement.

### Leased Assets

Leases where the School substantially all the risks and benefits incidental to ownership of the leased item are classified as Finance leases. Assets acquired by way of finance lease are recognised in the Statement of Financial Position at an amount equal to the lower of their fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. The corresponding liability is disclosed in the Statement of Financial Position. The leased assets are depreciated over the period the School is expected to benefit from their use or over the term of the lease.

## **Liabilities**

### Accounts Payable

'Accounts Payable' represents liabilities for goods and services received by the School prior to the end of the financial year but not yet paid for. Liabilities are recorded at the amount of cash required to settle those liabilities. The amounts are unsecured and are usually paid within 30 days of recognition.

### Employee Entitlements

#### *Short term employee entitlements*

Employee benefits that are due to be settled within 12 months after the end of the period in which the employee renders the related service are measured based on accrued entitlements at current rates of pay.

#### *Long term employee entitlements*

Employee benefits that are due to be settled beyond 12 months after the end of the period in which the employee renders the related service, such as long service leave and retirement gratuities, have been calculated on an actuarial basis. The calculations are based on:

- Likely future entitlements accruing to staff, based on years of service, years to entitlement, the likelihood that staff will reach the point of entitlement, and contractual entitlement information; and
- The present value of the estimated cash flows.

### Income Received in Advance

Income received in advance relates to fees received where there are unfulfilled obligations for the School to provide services in the future (e.g., fees received from international students). The income is recorded as revenue as the obligation is fulfilled and the fees earned.

The School guarantees to hold sufficient uncommitted funds to be used to refund unearned portion of fees.

### Funds Held in Trust

Funds are held in trust where they have been received by the School for a specific purpose or are being held on behalf of a third party and these transactions are not recorded in the Statement of Revenue and Expense. The School guarantees to hold sufficient uncommitted funds to be used for their intended purpose at any time.

### Shared Funds

Shared funds are held on behalf of participating schools within a cluster of schools. These amounts are met recorded in the Statement of Revenue and Expense. The School guarantees to hold sufficient funds to enable the funds be used for their intended purpose.

### Provision for Cyclical Maintenance

The property from which the School operates is owned by the Crown, and is vested in the Ministry of Education (the Ministry). The Ministry has gazetted a property occupancy document that sets out the Board's property maintenance responsibilities. The Board is responsible for maintaining the land, buildings and other facilities on the School site in good order and repair.

Cyclical maintenance, which basically involves painting the interior and exterior of the School, makes up the most significant part of the board's responsibilities outside the day-to-day maintenance. The provision for cyclical maintenance represents the obligation the Board has to the Ministry and is based on the Board's 10-year property plan.

### Financial Assets and Liabilities

The School's financial assets comprise cash and cash equivalents, accounts receivable, GST receivable and investments. All of these financial assets, except for investments that are shares, are categorised as 'loans and receivables' for accounting purposes in accordance with financial reporting standards.

The School's financial liabilities include accounts payable, borrowings, finance lease liability, and painting contract liability. All of these financial liabilities are categorised as 'financial liabilities measured at amortised cost' for accounting purposes in accordance with financial reporting standards.

### Services Received in Kind

From time to time the school receives services in kind, including the time of volunteers. The school has elected not to recognise services in kind in the Statements of Comprehensive Revenue and Expense.

## **7) Fraud and Theft Prevention**

In order to ensure the cash and assets of the Board of Trustees are protected from theft, please follow these procedures:

- Cash received by any staff member should be immediately directed to the school office, where it is receipted and securely stored.
- All money received by the school should be deposited, as soon as practicable, into the school's bank account. No more than \$300.00 in cash should be held in the safe at any day.
- All financial transactions should be documented and paperwork filed systematically.
- All classrooms will have a lockable cupboard with sufficient space for staff to store IT resources and personal belongings.
- Laptops are available for teachers to use and must be secured with the provided laptop locks.
- Assets will all be clearly marked as property of Royal Oak primary.
- Staff are issued with keys and alarms codes to enable out of hours access to buildings. All areas should be kept locked and alarmed once access is gained.
- At the end of each day all staff must lock his/her work area, and ensure all windows are closed.
- Staff should be vigilant while in the school grounds out of hours and contact the security company and state the area being disarmed and for the expected length of time.
- Staff should notify the Police if concerns are noted out of hours.
- Staff should immediately inform the Principal should they suspect or become aware of any improper fraudulent action/s by staff, suppliers, contractors, students or other persons associated with the School.
- The Executive Officer will ensure that knowledge of all Ministry of education procedures is kept up-to-date, and the procedures adhered to.

## **8) Hireage of School Facilities**

In order to enable community use and hireage of certain school facilities, please follow these procedures:

- The hireage of the school premises will be subject to the hirer accepting the conditions as detailed in the 'Licence to Use School Premises'.
- Failure to adhere to the 'Licence to Use School Premises' will lead to the Procedure as set out in the 'Licence to Use School Premises' document.
- The Principal's Secretary has responsibility for hiring out the hall and other facilities. Should any clarification be required she will consult with the Principal.
- Facilities may be hired to users on a one off basis.
- Regular users will be granted usage rights for the given calendar year (or short term if necessary) and shall reapply each year no less than one month before the end of the year.
- A review of the current licencees and charges for hireage will be undertaken in November of each year with the reviewed pricing to take effect January of the following year.

## **9) Community Sponsorship**

In ensure community sponsorship effectively benefits both the school and the sponsor, the following procedures will be followed:

- Sponsorship opportunities will be at the discretion of the Principal.
- The Principal will ensure the values and benefits to the sponsor are met, including use of promotional space, logo displays and various media available at the school. This should include the degree of exclusivity that can be applied to the sponsorship also.
- An annual review of sponsorship levels will be undertaken as part of the annual budget.
- All sponsorship is to be for the ultimate purpose of increasing and/or enhancing the resources available to the Royal Oak Primary School for the benefit of children attending the school and all staff.
- Once approved, administration and reporting of any sponsorship will be managed by administration staff.

## **10) Community Funding**

To provide additional resources for the school, community funding may be sought. Please follow these procedures:

- Applications will be made in the name of the Royal Oak Primary School and/or include the Board of Trustees. Applications shall be written as appropriate and verified for submission by the Board of Trustees Chairperson.
- Applications will include quotations for supply of product and services within the required guidelines of the application process. Any party associated with Royal Oak Primary School, Board of Trustees and/or suppliers must disclose any financial interest in related parties and may be requested to refrain from participation in a particular application.
- All applications are to be for the ultimate purpose of increasing and/or enhancing the resources available to Royal Oak Primary School for the benefit of children attending the school.
- Once approved, administration and reporting of any funding will be managed by Royal Oak Primary School administration staff.

## **11) Activity Fees**

To ensure the payment of the School activity fee ensures that the activities over and above basic curriculum delivery can be provided to all children without being a financial burden on the school, please follow these procedures:

- The School requests all parents to allow their children to participate in activities over and above basic curriculum delivery and to pay the associated cost.
- The fees will be paid prior to each separate activity.
- Parents will be asked to enclose the fee with the permission slip/approval form.
- Those children whose parents have given permission but at the time are unable to pay, will be included in the activity at the discretion of the Principal.
- Fees for each activity will be approved by the Principal before being advised to the parents.
- Children who do not have permission will be supervised with an educational programme.
- Where possible, activity fees will be advised with advance notice.

**12) Credit Card Procedures****Process for issue of Credit Cards**

1. Credit cards will only be issued to staff members after being authorised by the Board.
2. A register of cardholders will be maintained.
3. The limits set for credit card use should not exceed the overall financial delegation of the cardholder, as set out in the Schedule of Delegations. Any variations require Board approval.
4. Prior to the card being issued, the recipient must be given a copy of this document and be required to sign it off to signify that they have read and understood it.

**Procedures to be followed when using the Card**

1. The credit card is not to be used for any personal expenditure.
2. The credit card will only be used for:
  - payment of actual and reasonable travel, accommodation and meal expenses incurred on School business; or
  - purchase of goods where prior authorisation from the Board is given.
3. All expenditure charged to the credit card should be supported by:
  - a credit card slip if credit transaction was manually processed
  - a detailed invoice or receipt to confirm that the expenses are properly incurred on School business
  - for expenditure incurred in New Zealand of value greater than \$50 (including GST) there should also be a GST invoice to support the GST input credit. The invoice should have the following details:
    - the supplier's name and gst number
    - the word "tax invoice"
    - date of issue
    - brief description of supplied items and quantity
    - total amount payable

4. The credit card statement should be certified by the cardholder as evidence of the validity of expenditure.
5. Authorisation for the expenditure should be obtained on a one-up basis (for example the Principal should authorise any travel by the Deputy Principal and the Board should authorise any travel by the Principal). Cardholders are not allowed to approve their own expenditure.
6. All purchases should be accounted for within 5 working days of receiving a credit card statement.  
Cash advances are not permitted except in an emergency.
7. Where cash advances are taken, the cardholder must provide a full reconciliation, with receipts wherever possible, of how the cash was used. Any unspent monies must be returned to the School.
8. Any benefits of the credit card such as a membership awards programme are only to be used for the benefit of the School. They should not be redeemed for personal use.
9. The cardholder must ensure that the following procedures are also followed:
  - the cardholder should never allow another person to use the card
  - the cardholder must protect the pin number of the card
  - the cardholder must only purchase within the credit limit applicable to the card
  - ensure that goods or services paid for using the credit card are actually delivered or provided
  - discrepancies in credit card transactions are followed up by the card holder with the service provider
  - the cardholder must immediately notify the credit card company and the school if the card is lost or stolen
  - The cardholder must return the credit card to the School upon ceasing employment there or at any time upon request by the Board.

Signature Section for Prospective Cardholders

I have read and understood these procedures and agree to adhere to them.

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Signed

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Date

**13) Entertainment and Gifts Procedures**

To ensure a consistent and transparent treatment of purchases for entertainment and gifts, as well as gifts received, please follow these procedures:

- The expenditure must be linked to the business of the school and must be incurred in relation to one of the following purposes:
  - establishing or maintaining good business relationships and goodwill
  - representation of the school in a social function
  - internal social functions
- As a general rule, the entertainment expenditure and gifts/koha must not provide unreasonable and personal benefit to any individual or group of individuals (staff or students).
- Expenditures that may be considered beneficial to individuals or group of individuals, such as expenses in relation to farewell or gifts to individuals/group of individuals, will be carefully scrutinised before approval and will be supported by funds which have been raised for the purpose.
- Expenditures for entertainment must be from approved budget provisions. The school should purchase alcohol only for the consumption of staff and guests at school hosted events.
- All expenditures must be adequately supported by tax invoice or receipt, whenever possible.
- All offers of gifts to the school with a value of \$250 or above, and any gifts with conditions attached, must be referred to the principal.
- No one may seek any form of reward (including gifts, favours, prizes or fees) for performing your duties as an employee.
- It is acceptable to receive a gift of a low value, however if a staff member is offered any form of reward or gift valued at \$50.00 or more, he/she should inform the principal (or board chair in the case of the principal) who will decide the appropriate response.