

NAG 4 : Finance and Asset Protection Policy

Outcome statement

Finance:

- The school is financially viable, manages risks effectively and resources are targeted to where they make the most difference to outcomes for students.

Asset Protection:

- Assets of the school are utilised to maximise the best outcomes for students.

Scoping

Finance:

- The board has overall responsibility for the financial management of the school. The principal is the day-to-day manager of the school and responsible for achieving legislative requirements and charter/strategic aims and targets within board policy objectives. The financial viability of the school must be protected at all times, and every practicable effort is made to eliminate the risk of theft or fraud.

Asset Protection:

- Assets may not be unprotected, inadequately maintained or unnecessarily risked.

Delegations

Finance:

- The principal, in association with the board's finance committee, is responsible for recommending an annual operating and capital budget to the board. The board delegates the day-to-day management of the school's finances and budget to the principal. The principal is required to ensure robust, clear procedures are in place to safeguard the integrity of financial management.

Asset Protection:

- 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, within budget, in order to provide a clean, safe, tidy and hygienic work and learning environment for staff and students.

Expectations and limitations

Finance:

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

The budget should:

- Reflect the results sought by the board
- Reflect the priorities as established by the board
- Comply where the board's requirement is for a balanced budget
- Demonstrate an appropriate degree of conservatism in all estimates

The principal is responsible for financial reporting and demonstrating budget compliance and must ensure:

- Unauthorised debt or liability is not incurred
- Generally accepted accounting practices or principles are not violated
- Tagged/committed funds are not used for purposes other than those approved
- More funds than have been allocated in the fiscal year are not spent without prior board approval
- All money owed to the school is collected in a timely manner
- Timely payment to staff and other creditors is made
- Unauthorised sale or purchase of property is not made

- All relevant government returns are completed on time
- No one person has complete authority over the school's financial transactions
- When making any purchase:
 - of over \$500, comparative prices are sought
 - of over \$5,000, an adequate review of ongoing costs, value and reliability is undertaken
 - of over \$10,000 on a single item, board approval is first if funds have not been allocated in the budget
- Effective systems are in place to meet the requirements of the payroll system

Asset Protection

The principal must:

- Ensure all board assets are insured
- Not allow unauthorised personnel or groups to handle funds or school property
- Not subject plant and equipment to improper wear and tear or insufficient maintenance or inappropriate use
- Maintain an up-to-date asset register for all items of Property, Plant and Equipment costing more than \$500. Assets with individual value of less than the capitalisation threshold are pooled as a single asset record.
- Ensure the implementation of the 10-year Property Maintenance Plan (10YPP) and the 5 Year Agreement (5YA)
- Engage sufficient property maintenance staff for the school within budget limitations
- Receive board approval for maintenance contracts, outside 5YA, over \$10,000 for any one contract if value is not within budget
- Conduct competitive tenders for all contracting over \$50,000
- Protect intellectual property, information and files from loss or significant damage or unauthorised access or duplication
- Not receive, process or disburse funds under controls that are insufficient to meet the board-appointed auditor's standards
- Not invest or hold operating capital in insecure accounts or in non-interest-bearing accounts except where necessary to facilitate ease in operational transactions

Delegations:

- 5YA project sign-off is delegated to the Board Chair or person further delegated by them to act in that capacity.

Procedures/supporting documentation

Finance:

1. Annual budget
2. Finance
3. Fraud and theft prevention
4. Community sponsorship
5. Community Funding
6. Activity Fees
7. Credit Card Procedures
8. Entertainment and Gifts

Asset Protection:

1. Property management
2. Contracts
3. Hireage of School facilities
4. Insurance Policies

Monitoring

Finance:

- Refer to Procedures document: Reporting

Asset Protection:

Where there is non-compliance, variances are to be reported to the board with recommendations on the actions required to meet compliance.

- Refer to Principal's monthly property report

Legislative compliance

Refer to the Ministry of Education website for information on managing school finances and the Financial Information for Schools Handbook ([FISH](#))

Ratified and reviewed by the Board of Trustees :

23 August 2021

07 November 2022

Principal :



Megan Clotworthy

Presiding Member :



Georgie Shanks