



## Northland School Board of Trustees

# Financial and Property Management Policy

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### Rationale

Under the National Education Guidelines (NEGs), specifically National Administration Guideline 4, the Board is responsible for the overall financial management of Northland School, including compliance with the requirements of the Public Finance Act 1989 and the Education Act 1989. This means the Board is responsible for

- allocating available funds to reflect the school's priorities contained in the Charter, the Strategic Plan and the Annual Plan
- monitoring and controlling expenditure within an established budget and ensuring the preparation and auditing of annual accounts
- managing assets and implementing a property maintenance programme.

### Purpose

The purpose of this policy is to guide the Board's management of the school's finances and property.

### Trustee responsibilities

- The Board will appoint at least one parent trustee to the finance portfolio. The finance trustee will work with the Principal to ensure the Board has the necessary information to fulfill its financial responsibilities. This will generally include presenting a monthly monitoring report to the Board.
- The Board will appoint at least one parent trustee to the property portfolio. The property trustee will work with the Principal to identify property maintenance and development matters that require the Board's attention, and to ensure the Board has the information necessary to make decisions on these matters.

### Budget

- For each school year, the Board will approve a budget that reflects the strategic objectives of the school and the Annual Plan. Final approval will occur by the end of March at the latest. The Board can approve the transfer of money between budget areas after 31 July.
- As part of the budget, the Board may decide to seek a donation from parents, to enable operational expenditure above the amount covered by funding from the Ministry of Education. The Board will set the recommended donation at a level that is no more than necessary for a budget that enables progress towards the school's strategic objectives. The recommended donation will be the same for each student.
- Reminder letters will be posted at the start of each term, to families who have not yet paid the parent donations or the EOTC fee.
- Any expenditure not provided for in the budget requires the approval of the Board, except where it is within the Principal's financial delegation.

### Sponsorship

- Any financial sponsorship arrangement that the Board enters into will meet the school's strategic or annual objectives and be consistent with the values in the school's Charter and with the school's policies.

### Financial delegations and processes

- The Principal may:
  - approve expenditure in the budget
  - approve expenditure under \$1000 not in the budget. Such expenditure must be reported and minuted at the next Board meeting.
  - recommend approval of the transfer of unspent budget between curriculum areas after 31 July.
  - delegate financial management of expenditure within curriculum budgets to the leader of each curriculum committee. The leader of each curriculum committee will sign a delegation authorization form
- Proposed expenditure above \$1000 that is not in the budget requires the approval of the Board. Approval can be given outside a Board meeting by three trustees including the finance trustee. Such approval must be reported and minuted at the next Board meeting.

- Quotes will be sought for expenditure above \$2500 unless the Board specifically agrees otherwise. Reasons for not seeking quotes will be recorded by the Board. Quotes will be sought for expenditure below \$2500 if it is reasonable to do so.
- Cheques must be signed by two signatories authorised by the Board.
- Financial investments (excluding bank deposits) require the approval of the Board.
- Financial records will be stored for 9 years.
- Cash receipts and payments will comply with internal control procedures.
- Accounting concepts and methods used will comply with those recommended by the NZ Society of Accountants.

#### **Annual Report and Annual Financial Statements**

- The Principal and finance trustee will manage the preparation of the annual financial statements, ensuring that these are appropriately audited to meet the requirements of the Public Finance Act 1989.
- The Principal, Chairperson and finance trustee will manage the preparation of the Annual Report containing financial statements and submit this to the Ministry of Education by 31 May, as required under the Education Act 1989.

#### **Property management**

- The Board's management of the school property will be consistent with the strategic objectives of the school and the Annual Plan, and will comply with the Property Occupancy Document.
- The day to day administration of maintenance related property work (including furniture) is the responsibility of the Principal, while project work will be the combined responsibility of the Principal, Board and any external consultants engaged.
- The Board may delegate the responsibility for parts of the property programme to a Property sub-committee or consultant, who should report to the Board at each meeting as part of the monitoring process.
- An annual property budget which reflects the 10 year property plan should be prepared prior to the start of each school year.

**Approved:                      June 2012**

**Review Date:                2015**

**Signed:**