

**HENDERSON SOUTH SCHOOL****CASH MANAGEMENT POLICY****Rationale**

In order that the aims and objectives of the School charter are met as fully as possible, it is essential that careful ongoing financial planning takes place on an organized and regular basis. Close consideration must be given to all aspects of the School programme in action and funds must be allocated to meet identified needs. An orderly system must be in place to ensure that spending is controlled, that goods received represent value and that accounts received are correct in all details. A system enabling regular examination of all the budget components and detailing their up-to-date spending is essential.

**Purposes**

1. To protect the cash resources of the School.
2. To have regard to the accepted standards of sound financial management and apply these to the School.
3. To allocate funds in a fair and equitable manner.
4. To ensure that only goods ordered with correct authorization and received are paid for.
5. To ensure that expenses are allocated to the correct cost centre.
6. To make provision for regular transaction reports, bank reconciliation reports, Income and Expenditure Reports and Cash Flow reports

**Cheque Accounts**

1. The Board agrees that one cheque account shall be operated for Board receipts and payments. The signatories to this cheque account shall be as follows:
  - (a) For cheques, any two of the following: Principal, Deputy Principals.
  - (b) For internet payments, Executive Officer to action and Principal (or Deputy Principals in the absence of the Principal) to authorise.
2. Under no circumstances is a cheque signatory to sign a blank cheque.
3. New Bill Payees shall be set up in Xero by the Executive Officer. The Principal shall review and approve new bill payees and changes to bank accounts on a monthly basis.
4. At no time shall the cheque account be operated in overdraft without permission from the bank and the Ministry if the overdraft exceeds the borrowing limits.

**Investments**

6. Investments of School funds may only be made in accordance with the terms of Section 73 of the Education Act 1989.
7. Notwithstanding the requirements of Section 73, no investments may be made in equity stocks or in synthetic money market products.
8. Investments may only be made with the oral authorization of the Principal.

**Fundraising**

9. The Board acknowledges that under Section 73 of the Education Act 1989 some professional fundraising contracts constitute an illegal fundraising contract. No such fundraising contract will be entered into by the School. If doubt exists about the legality of a proposed fundraising contract, the Principal will contact the regional Financial Adviser of the Ministry of Education for advice. All fundraising should be done internally within the school community.

**Cash Receipts**

10. All cash and cheques received must be paid into the school office and properly receipted. This includes trading income, other local funds receipts and reimbursements for learning materials.
11. Only delegated staff may handle cash.
12. All receipts should be banked weekly.
13. All cash and cheques kept on the premises must be kept secure and under the control of delegated person.

### **Accounts for Payment**

14. All accounts for payment, other than expense reimbursements and attendance fees, must be supported by a copy of the:
  - official school order form
  - the invoice, with certification that each item has been received, prices and quantities are correct and the payee details are correct.
  - the correctly completed cheque ready to be signed
  - in the case of internet banking, the order form, invoice and a printout of payments to be authorised by the Principal.
15. 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 or delegate to indicate that approval was given. Scale rates as per the award will be the basis of reimbursement per kilometer.

### **Accounting Records**

16. 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.
17. 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.

### **Periodic and Annual Financial Statements**

18. For each calendar month the Executive Officer shall prepare and present to the following Board meeting financial reports showing:
  - Statement of Financial Performance, including comparison to budget
  - significant matters and/or risks that must be addressed by the School.
19. The Executive Officer shall commence preparation of the end-of-year financial statements in December/January and complete them for presentation to the Board at its February or March meeting. The financial reports are to be forwarded to the auditors by 31 March each year, and when audited, to the Ministry of Education by 31 May each year.

### **Budgets**

21. The main control for expenditure is the annual budget. Expenditure within budget is authorised by the Principal. However, it is expected that significant items within the budget will be reviewed by the Board and all non-budgeted expenditure will be submitted for prior approval.
22. The budget is to be prepared by the Executive Officer and presented to the November/December Board of Trustees meeting for draft approval. The final budget is to be approved at the March Board of Trustees meeting in the following year. The budget should take into account finance available for the following year, the curriculum reports, current year's performance to date and committed expenditure for the following year.
23. The Fixed Assets Register should be reviewed each year to determine new asset purchases for the following year. Any recommendations made to the Board for the purchase of fixed assets, investments and other use of cash resources must refer to the impact on the School's present cash resources and projected cashflows for the next 12 months.
24. The 10-year Property Plan should be reviewed at the end of the year to ensure it is up-to-date and the Provision for Cyclical Maintenance should be updated towards the end of each year and the amount of Cyclical Maintenance expense calculated for the budget for the following year.

**Approved:**

**BOT Meeting: 05/08/2020**

**Chairperson .....**

HENDERSON SOUTH SCHOOL

POLICY ON SUPPORTING FUNDRAISING IN THE WIDER COMMUNITY

Fundraising is done internally with support by the community.

Approved  
BOT Meeting 05/08/2020

Chairperson .....

## HENDERSON SOUTH SCHOOL

### THEFT AND FRAUD PREVENTION POLICY

#### Rationale

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.

#### Procedures

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;
  - 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 of the school premises 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 he/she considers 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 him 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.
- 8. Any fraudulent act that results in a Police investigation would result in an instant dismissal.
- 9. Any occurrence of theft will be dealt with by the Principal with an outcome at the discretion of the Principal.

**Allegations concerning the Principal or a Trustee**

- 10. 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.
- 11. Any allegation concerning a member of the Board of Trustees 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.

**Approved**

**BOT meeting: 05/08/2020**

**4.52.2**

**Chairperson .....**

HENDERSON SOUTH SCHOOL

POLICY ON ENTERTAINMENT

**Introduction**

- 1. The Board agrees that it has a responsibility to ensure that expenditure on entertainment incurred by the School must clearly be linked to the business 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. The Board requires the principal, as the Board Chair, to implement and manage this Policy. The Principal and BOT Chair may, from time to time, further delegate some of their responsibilities, and all such delegations must be attached as appendices to this policy.

**Purposes of entertainment**

- 4. Entertainment expenditure in general will be for the following purposes:
  - Building relationships and goodwill
  - Representation of the school in a social situation
  - Hospitality provided in the course of school business to external parties
  - Internal social functions
- 5. The purpose of all purchases should be transparent and the amount expended able to be demonstrated as reasonable and appropriate.

**School events and staff meetings**

- 6. This includes conferences, seminars, workshops, training courses and meetings.
- 7. When deciding upon a venue, teachers should take into account location, accommodation standard and tariff rates. They should give due consideration to the nature of the event, total cost, expectations of participants and their home location.
- 8. When deciding upon catering, teachers should take into account the nature of the event and the quality of food required. Lunch should only be provided for staff meetings where it is not possible to arrange the meeting for a period which avoids the lunch break.
- 9. Food will be provided for
  - Meetings that last longer than 5.30pm
  - Community meetings
  - Report evening meetings
  - Or where meetings that start at 6.30pm

**Alcohol purchases**

- 9. The school should only purchase alcohol for entertainment purposes.
- 10. Purchases are usually for the consumption by staff and guests at school hosted events. The amount expended needs to be demonstrably reasonable and appropriate for the event and should be sufficient for moderate consumption only.

**Approval**

- 11. 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 at the Principal’s discretion.
- 12. 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.

**Approved**

**BOT meeting: 05/08/2020**

**Chairperson .....**

**HENDERSON SOUTH SCHOOL****CREDIT CARD POLICY****Introduction**

1. The Board agrees that it has a responsibility to ensure that credit card expenditure incurred by the School must clearly be linked to the business 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. The Board requires the Principal and the Board Chair, to implement and manage this Policy. The Principal may, from time to time, further delegate some of their responsibilities, and all such delegations must be attached as appendices to this policy.
3. 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.

**Process for Issue of Credit Cards**

4. 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.
5. Prior to the card being issued, the recipient must be given a copy of this policy and be required to sign it off to signify that they have read and understood it.

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

6. The credit card is not to be used for any personal expenditure.
7. 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.
8. All expenditure charged to the credit card should be supported by:
  - 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.
9. The credit card statement should be certified by the cardholder as evidence of the validity of expenditure.
10. 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.
11. All purchases should be accounted for within 5 working days of receiving a credit card statement.

**Cash Advances**

12. Cash advances are not permitted.

**Discretionary Benefits**

14. 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.

**Cardholder Responsibilities**

- 15. The cardholder should never allow another person to use the card, except with the authorisation from the BOT, DP or Executive Officer.
- 16. The cardholder must protect the pin number of the card.
- 17. The cardholder must only purchase within the credit limit applicable to the card.
- 18. The cardholder must notify the credit card company and the school immediately if the card is lost or stolen.
- 19. The cardholder must return the credit card to the School upon ceasing employment there or at any time upon request by the Board.

**Approval**

- 20. 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.

**Approved**

**BOT meeting: 05/08/2020**

**Chairperson .....**

**Signature Section for Prospective cardholders**

I have read and understood this policy and agree to abide by it.

..... Date:.....



## **HENDERSON SOUTH SCHOOL**

### **POLICY ON TRAVEL**

#### **Introduction**

1. The Board agrees that it has a responsibility to ensure that travel expenditure incurred by the School must clearly be linked to the business 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. The Board requires the principal, as the chief executive and the Board's most senior employee, to implement and manage this Policy. The principal may, from time to time, further delegate some of their responsibilities, and all such delegations must be attached as appendices to this Policy.
3. 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.

#### **Principles**

4. The Board agrees to ensure that:
  - the travel expenditure is on the Board's business, and the School obtains an acceptable benefit from the travel when considered against the cost
  - expenses are reimbursed on an actual and reasonable basis, and
  - staff that are required to travel on business do not suffer any negative financial effect.

#### **Process for making travel arrangements**

5. Under no circumstances may any staff member approve their own travel.
6. All bookings for international and domestic travel are to be conducted through the School's normal purchase procedures. This includes the booking of accommodation, flights and rental cars.

#### ***Travel within New Zealand***

7. The justification for travel within New Zealand must be documented. It is to be transparent and must relate to a school need. Travel within New Zealand is to be authorised 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).
8. All domestic air travel is to be economy class.

#### ***International travel***

9. Prior to international travel being undertaken, the traveller must be given a copy of this Policy and be required to sign it off to signify that they have read and understood it.
10. All international travel should be authorised by the Board before it is commenced and the Crown Funding Checklist must be completed. A proposal must be put to the Board detailing the purpose of the trip, the expected benefit to the School, which will arise from the trip and an estimate of the costs of the trip. The Board will approve the travel in writing.
11. At the end of the trip overseas, the traveller must prepare a trip report, which details the costs incurred during the trip, activities which took place during the trip and the benefits to the Board and the School of the trip.
12. Except where the flight time exceeds 10 hours, all international air travel is to be economy class.
13. Business class travel may be approved, where the Board considers it appropriate, for travel more than 10 continuous hours in duration.
14. If a staff member has a travel time without a stopover in excess of 20 hours, a rest period of 24 hours before commencing work is permitted.

#### **Accommodation**

15. Staff should opt for good but not superior accommodation, for example Qualmark 3-star accommodation, and must be prepared to justify exceptions to this rule to the Board.

16. Staff who stay privately will be reimbursed on production of receipts, for koha or for the cost of a gift given to the people they have stayed with. Prior to travel the staff member should receive authorisation for the value of the intended koha/gift. (Refer to gift policy.)

### **Vehicles**

17. When using rental cars, staff should opt for good but not superior model vehicles and should be prepared to justify any exceptions to this rule to the Board.

18. Use of private vehicles is to be approved on an one-up basis and reimbursement will be at the rate specified by the Inland Revenue Department.

19. If taxis are used, then staff should pay for the taxis out of their own pocket, obtain a receipt and seek reimbursement through an expense claim.

### **Reimbursement of expenses**

20. The reimbursement for business related travel expenses is on the basis of actual and reasonable costs. Actual and reasonable expenditure is defined as “the actual cost incurred in the particular circumstance, provided that it is a reasonable minimum charge”.

21. For travel within New Zealand, actual and reasonable expenses are those incurred above the normal day-to-day costs. For example, a staff member would normally incur personal expenditure for lunch on a daily basis and the cost of lunch when travelling should not be reimbursed unless the costs are greater than that normally incurred.

22. All personal expenditure is to be met by the staff member. Examples of this are mini bar purchases, in-house movies, laundry and private phone call charges. These are to be paid separately by the travelling staff member.

23. All receipts must be retained and attached to the travel claim. The claim is to be authorised on a one-up basis.

24. For expenditure incurred in New Zealand of value greater than \$50 (including GST) there should also be a GST invoice to ensure that GST can be reclaimed by the School.

25. Authorisation can still be given for expenditure less than \$50 where there is no receipt, for example if it is not practical to obtain a receipt or if the receipt is lost. The expenditure can be reimbursed provided there is no doubt about its nature or the reasons for it.

### **Discretionary travel benefits**

26. Staff must travel by the most direct route unless scheduling dictates otherwise.

27. The School will not meet expenses incurred on behalf of a spouse or travelling companion. In the event of a person travelling with an employee, a reconciliation of expenses should clearly demonstrate that the School did in no way incur additional expenditure.

**Approval**

28. 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.

29. 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.

**Approved**

**BOT meeting: 05/08/2020**

**Chairperson .....**

**Signature section for international travellers**

I have read and understood this policy and agree to abide by it.

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## HENDERSON SOUTH SCHOOL

### POLICY ON SENSITIVE EXPENDITURE

#### **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 (under \$500) which may be considered to be beneficial only to individuals or small groups of individuals. These may include expenses in relation to travel (especially international travel), or to koha, gifts and other payments to individuals.
3. The Board has determined that any expenditure over \$1,000 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 fundraising specific to that expenditure.
4. Particular reference should also be made to the Board's travel policy in considering expenditure which may benefit individuals or groups of individuals.
5. 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**

6. 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, or be perceived to be, any personal gain from this expenditure?
  - vii) Does this expenditure occur frequently?

#### **Accounting for expenditure**

8. 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**

9. 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.

#### **Approved**

**BOT meeting: 05/08/2020**

**Chairperson .....**