

NATIONAL
ADMINISTRATION
GUIDELINE 4

Finance
&
Property

Nag 4 Finance and Property

According to the legislation on financial and property matters, each Board of Trustees is also required in particular to:

- i. Allocate funds to reflect the school's priorities as stated in the charter;
- ii. Monitor and control school expenditure, and ensure that annual accounts are prepared and audited as required by the Public Finance Act 1989 and the Education Act 1989;
- iii. 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.

Policy 4: FINANCE and PROPERTY POLICY (NAG 4)

RATIONALE:

The Board of Trustees needs to implement sound resourcing practices to promote learning and student and staff wellbeing.

PURPOSE:

Ensure that there are high quality reporting and resourcing procedures so that the Board of Trustees can allocate funds to reflect the school's priorities.

GUIDELINES (Adapted from the NAGs)

1. Allocate funds to reflect the school's priorities as stated in the strategic plan.
2. Monitor and control school expenditure, and ensure that annual accounts are prepared and audited as required by the Public Finance Act 1989 and the Education Act 1989.
3. 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 and healthy learning environment for students.

In order to fulfil the policy, the board and management have developed, and will regularly review, the following policies, procedures and guidelines associated with 'Finance and Property':

- Asset Management policy
- Credit Card policy
- Goods & Services
- Cash Handling
- Entertainment Policy
- Finance Management
- Fixed Assets
- Gifts
- Property Management
- Sensitive Expenditure policy
- Travel
- Theft & Fraud Prevention
- Novopay

Other policies related to Finance and Property are Goods & Services Policy, Theft and Fraud Prevention Policy, Credit Card Policy, Sensitive Expenditure Policy, Asset Management Policy.

Chairperson *Jon White*

Date: 21 September 2016

St Joseph's School Pukekohe Credit Card Policy

Adopted by the Board of Trustees on 18 February 2015

The Board of Trustees (the Board) of St Joseph's Catholic School Pukekohe (the School) has consulted with staff and parent representatives in the formulation of this Policy (the Policy). The Policy was approved and adopted by the Board at its meeting held on 18 February 2015 and became effective from that date. It was reviewed on the 21 September 2016.

● **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, 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.

● **Process for Issue of Credit Cards**

4. Credit cards should only be issued to staff members after being authorised by the Board.
5. A register of cardholders should be maintained.
6. 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.
7. 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**

8. The credit card is not to be used for any personal expenditure.
9. 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.
10. All expenditure charged to the credit card should be supported by:
 - A credit card slip

- 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
11. The credit card statement should be certified by the cardholder as evidence of the validity of expenditure.
 12. 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.
 13. All purchases should be accounted for within 5 working days of receiving a credit card statement.
- **Cash Advances**
14. Cash advances are not permitted except in an emergency.
 15. 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.
- **Discretionary Benefits**
16. 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**
17. The cardholder should never allow another person to use the card.
 18. The cardholder must protect the pin number of the card.
 19. The cardholder must only purchase within the credit limit applicable to the card.
 20. The cardholder must notify the credit card company and the school immediately if the card is lost or stolen.
 21. The cardholder must return the credit card to the School upon ceasing employment there or at any time upon request by the Board.
- **Approval**
22. 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.
 23. 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 File, copies of which shall be available to all staff. The School policy file 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.

Jon White

(Board Chairperson)

On behalf of, and with the authority of the Board on *21st September 2016*

Signature Section for Prospective Cardholders (*To be signed by Principal & School Secretary*)

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

_____ Signed

_____ Date

St Joseph's Catholic School Pukekohe Sensitive Expenditure Policy

Adopted by the Board of Trustees on 18 February 2015

The Board of Trustees of St Joseph's Catholic School Pukekohe has consulted with staff and parent representatives 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. It was reviewed on the 21st September 2016.

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 (especially international 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. 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 perceived to be any personal gain from this expenditure?
 - vii) Does this expenditure occur frequently?
7. 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

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.
10. 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 File, copies of which shall be available to all staff. The School policy file 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.

Jon White (Board Chairperson)

On behalf of, and with the authority of the Board on *21 September 2016*

St Joseph's School Pukekohe Asset Management Policy

Adopted by the Board of Trustees on 20 May 2015

The Board of Trustees (the Board) of St Joseph's School Pukekohe (the School) has consulted with relevant staff in the formulation of this Policy (the Policy). The Policy was approved and adopted by the Board at its meeting held on 18 February 2015 and became effective from that date. It was reviewed on 21st September 2016.

Introduction

1. The Board accepts that it has a responsibility to protect the assets 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 asset management and applied these to the School. The Board wishes to record that it sought the advice of people with accounting expertise 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, 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 to the accounts person.
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.

Acquisition of Assets

5. The Board agrees to review the asset management plan annually and agree a budget for annual asset acquisitions.
6. The principal shall have delegated authority to purchase assets specified within the annual asset acquisition budget, following good procurement processes, provided that the value of any individual asset is no more than \$10,000.
7. The decision to purchase any asset with a cost of over \$10,000 must be made by the Board, not the principal alone.
8. The Board shall consider the most cost efficient acquisition method for each new assets acquisition decision i.e. whether to buy or lease, and whether to acquire by operating or finance lease.
9. The Boards shall follow good procurement processes for the acquisition of assets over \$10,000. This may include placing a notice on the Government Electronic Tendering System (GETS) for acquiring assets with a combined value over \$100,000; obtaining several quotes to compare value for money; and managing any potential conflicts of interest appropriately.

Information Technology Assets

10. All information technology assets, such as computers and laptops and associated software, must be compatible with the standard operating platform used within the school.
11. The Board aims to provide and maintain a suite of IT assets that provides the best possible learning tools for students, within budget constraints, including a replacement programme that matches the expected useful life of each asset.

Expected Useful Lives

12. While all assets are subject to a degree of individual judgement, The Board agrees on the following in terms of the average expected useful lives of assets:
 - Buildings – School 50 years
 - Furniture and equipment 15 years
 - Information and communication technology 4 years
 - Library resources 8 years
 - Plant & machinery 10-15 years
 - Playground equipment 18 years

- Office equipment 5-10 years
- Class equipment 5-10 years

Maintenance of Assets

13. The principal shall have delegated authority to maintain the school's assets in good working order, within the approved budget.

Asset Records

14. A fixed asset register will be maintained.
15. All assets with a cost of \$500 or more shall be recorded in the fixed asset register.
16. A review of assets against the fixed asset register shall be undertaken at least once a year.

Disposal of Assets

17. The principal shall have delegated authority to dispose of any asset that has reached the end of its useful life (as recorded in the fixed asset or valuable asset registers), provided the original cost of that asset was less than \$5,000. The principal shall report to the board about reasons for disposal, disposal process and any net disposal proceeds.
18. The Board shall approve the disposal of any asset that had an original cost of over \$5,000, including the reasons for disposal, disposal process and use of any disposal proceeds.

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 approval of the majority 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 File which shall be available to all staff. The school policy file 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.

Jon White (Board Chairperson)

On behalf of, and with the authority of the Board on *21 September 2016*

4.1 Goods & Services Procedures (Nag 4)

- 4.1.1 Minor expenditure (up to \$500) will be organised at the discretion of the principal.
- 4.1.2 Non urgent service or goods providers (\$500 - \$5000) will be asked to provide a written quote which is to be agreed to and signed off by both parties.
- 4.1.2 If the cost of the goods or services is expected to exceed \$5000 whenever possible three written quotes will be obtained. The lowest quote will not necessarily be accepted.

Reviewed: 21 September 2016

4.2 Cash Handling Procedure (NAG 4)

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 these procedures, and has delegated responsibility for the implementation and monitoring of them to the Principal. The Principal may, from time to time, further delegate some of these responsibilities, and all such delegations must be documented in relevant employees' job descriptions.

4.2.1 Cheque and Call Deposit Accounts

- The Board agrees that one cheque account shall be operated for Board general receipts and payments. The only other cheque account permitted shall be the principal's imprest account which shall be operated for general day to day expenses.
- The signatories to the cheque account for Board general receipts and payments shall be as follows:
 - the Board Chairperson
 - the Board Deputy Chairperson
 - the Board Treasurer
 - the Principal / acting principal

The signatories to the principal's imprest account shall be as follows:

- the Board Chairperson
 - the Board Deputy Chairperson
 - the Board Treasurer
 - the Principal
 - the Deputy principal
- All cheques must be signed by two of the signatories listed above.
 - Under no circumstances is a cheque signatory to sign a blank cheque.
 - All cheques, except those for petty cash reimbursement, must be issued as 'Not Transferable – Account Payee Only'.
 - 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.
 - At-call or term deposit interest bearing accounts shall be operated to hold cash resources not currently required for operating purposes. Transfers into or from these account are only to be operated by the Principal or Treasurer, with any transactions reported at the next Board meeting.
 - A separate at-call or term deposit account shall be operated for Cyclical Maintenance reserves.

4.2.2 Cash Receipts

- 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.
- No cash received can be used to pay accounts in cash.
- Only delegated staff may handle cash.
- All receipts must be banked as soon as possible and preferably within one working day of receipt.
- All cash and cheques kept on the premises must be kept secure and under the control of a delegated person.

4.2.3 Accounts for Payment

- All accounts for payment, other than expense reimbursements and attendance fees, must be supported by a copy of the:
 - the invoice, with certification by the ordered 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.
- The invoice must be certified by the person who authorizes the expenditure.
- Expense reimbursements must be certified by the Principal. (or by the treasurer in the case of reimbursements to 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 or delegate to indicate that approval was given. Scale rates as per the award will be the basis of reimbursement per kilometre.

4.2.4 Accounting Records

- 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.
- 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 42 of the Public Finance Act 1989.

4.2.5 Periodic and Annual Financial Statements

- For each calendar month the Principal shall be responsible for preparing financial reports showing:
 - Statement of Financial Performance, including comparison to budget
 - a summary Statement of Cashflow and
 - A summary Statement of Financial Position.
- For each month the Principal shall ensure the Board is made aware of:
 - key (financial) achievements from the previous month
 - expectations for the month ahead and
 - significant matters and/or risks that must be addressed by the School.

- 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.

4.2.6 Approval

- 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.
- 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: 21 September 2016

4.3 ENTERTAINMENT POLICY

St Joseph's School Pukekohe Entertainment Policy

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 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.

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.

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.
12. As part of its approval the Board requires the Principal to bring this policy to the attention of all staff, and for a copy to be included in the School Policy documentation folder which is available to 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.

Board Chairperson: Jon White

On behalf of, and with the authority of the Board on 21 September 2016

4.4.Financial Management Procedure (NAG 4)

- 4.4.1 The B.O.T will each year prepare a budget based on the aims of the strategic plan and to present the budget to the full Board for approval.
- 4.4.2 The B.O.T will establish clear guidelines, including delegations and accountabilities, for the efficient management of each section of the budget.
- 4.4.3 Appropriate financial management procedures and practices are followed in line with Public Sector Finance requirements and guidelines set out by the Ministry of Education.
- 4.4.4 Accounts for payment summaries will be presented at each B.O.T meeting and a statement of financial position will accompany this.

- 4.4.5 At the B.O.T's March meeting a full report on the school's financial position will be presented.
- 4.4.6 All accounts held within the school will be monitored by the B.O.T.
- 4.4.7 Each financial year a set of accounts will be prepared in a timely and appropriate fashion, including Statement of Service Performance.
- 4.4.8 An auditor will be appointed for the school.

Reviewed: 21 September 2016

4.5 Fixed Assets Procedure (NAG 4)

- 4.5.2 A register of fixed assets will be maintained.
- 4.5.2 The value of fixed assets recorded in the Statement of Financial Position will reflect the correct material value, and the annual depreciation charge recorded by the school will fairly represents the use of the assets over their lives, in accordance with FRS-3.
- 4.5.3 Items of property, plant and equipment with an individual value in excess of \$500 are capitalized on purchase and added to the fixed asset register.
- 4.5.4 The useful life of purchases will be determined by the principal in consultation with appropriate personnel.
- 4.5.5 The useful life of assets will be reviewed annually as part of the budget process undertaken by the BOT finance committee
- 4.5.6 Items with an individual value less than \$500 that are purchased in quantity will be capitalized where the total value of the purchase exceeds \$500. Other items with an individual value below \$500 are expensed
- 4.5.7 Land and buildings are owned by the Diocese of Auckland and are occupied on the basis of a property occupancy agreement
- 4.5.8 Fixed assets are valued at historical cost and are not revalued
- 4.5.9 The initial cost of a fixed asset includes the purchase consideration and those costs that are directly attributable to bringing the asset into the location and condition necessary for its intended use
- 4.5.10 Bequeathed or gifted assets will be recorded at their value
- 4.5.11 Subsequent expenditure that increases or extends an asset's service potential is capitalized

Reviewed: 21 September 2016

4.6 Gift Procedure (NAG 4)

- 4.6.1 The expenditure on gifts incurred by the school must clearly be linked to the business of the school.
- 4.6.2 The principal has responsibility for the implementation and monitoring of these procedures.

Giving Gifts Procedures

- 4.6.3 Gifts of up to \$100 should be purchased through consultation and approval by the principal.
- 4.6.4 Gifts in excess of \$100 should be purchased through consultation and approval of the Board of Trustees. Gift purchases are to be recorded in the school order book including what was / is to be purchased, costs and recipients. The principal will keep the Board advised of all gifts given through the principal's report.
- 4.6.5 The cost of a gift should be reasonable and appropriately reflect the benefit received.

Receiving Gifts Procedures

- 4.6.6 Gifts should not be accepted if there is concern that their acceptance could be seen by others as an inducement or a reward that might place the staff member under an obligation.
- 4.6.7 If gifts/prizes received are small and of little value (under \$100), then the recipient may keep the gift. This includes prizes won at conferences when the employee's attendance has been funded by the Board.
- 4.6.8 If the gift/prize is larger and more valuable, then the recipients must advise the board via the principal of the gift/prize. The gift/prize will be given to the school to use unless the Board agrees to an exception to this policy.

Reviewed: 21 September 2016

4.7 Outstanding Payments Procedures (Nag 4)

- 4.7.1 Parents/caregivers will be reminded / notified when debts are incurred. For minor items this may take the form of a newsletter reminder or flyer accounted for by the classroom or office.
- 4.7.2 In the case of stationery items or lunches cash is expected on receipt of goods unless prior arrangements are made.
- 4.7.3 If goods/items are booked a debit slip will be issued at the time of receipt of goods and payment will be expected the following day.
- 4.7.4 In the case of families with outstanding debts, items related to the outstanding debt may no longer be supplied i.e. outstanding stationery account – no more stationery. This decision is exercised at the discretion of the Principal.
- 4.7.5 Invoices for attendance dues, school services contribution, Special Catholic Character Contribution and are issued to parents by the end of week three of each term. General reminders for payment to be made are given via the school newsletter at various times throughout the term. Items not paid by the time the invoice for the following term is issued will be marked as overdue. As attendance dues are collected on behalf of the Catholic Schools Office details of unpaid dues are sent to the Catholic Schools Office for their attention.

Reviewed: 21 September 2016

4.8 Property Management Procedures (Nag 4)

- 4.8.1 Maintenance of school property, plant and equipment is vital to achieve an environment that is safe, hygienic, and conducive to quality teaching and learning.
- 4.8.2 A property committee of the Board will be responsible for providing a safe, healthy school environment.
- 4.8.3 The school will comply with all requirements for health and safety, including where appropriate, local body regulations.
- 4.8.4 The annual budget will provide for ongoing maintenance to existing plant, equipment and property.
- 4.8.5 A long-term maintenance plan is provided and updated annually.
- 4.8.6 A programme of preventative maintenance is prepared and reviewed annually.
- 4.8.7 The committee will provide the Board with a monthly report concerning property and asset maintenance.
- 4.8.8 The finance committee will ensure there are appropriate systems in place to keep the school asset register updated.

Reviewed: 21 September 2016

4.9 Travel (Nag 4)

- 4.9.1 All booking for international and domestic travel is to be conducted through the School's normal purchase procedures. This includes the booking of accommodation, flights and rental cars.
- 4.9.2 The justification for travel within New Zealand must be documented. It is to be transparent and must relate to a school need.
- 4.9.3 All domestic air travel is to be economy class.
- 4.9.4 All international travel should be authorised by the Board before it is commenced. A proposal must be put to the Board detailing the purpose of the trip, the expected benefit to the Board which will arise from the trip and an estimate of the costs of the trip.
- 4.9.5 Except where the flight time exceeds 10 hours, all international air travel is to be economy class.
- 4.9.6 Business class travel may be approved, where the Board considers appropriate, for travel more than 10 continuous hours in duration.
- 4.9.7 Staff should opt for good but not superior accommodation, for example Qualmark 2 star accommodation and must be prepared to justify exceptions to this rule to the Board.
- 4.9.8 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.

- 4.9.9 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.
- 4.9.10 Use of private vehicles is to be approved by the principal and reimbursement will be at the rate specified by the appropriate collective employment agreement. While staff will be reimbursed for travel to courses and other events which the principal has approved travel to block courses that staff members have chosen to do will be their own responsibility.
- 4.9.11 Reimbursement of travel costs related to the Principal's use of his / her private vehicle will be approved by the Board treasurer.
- 4.9.12 If taxis are used, then staff should pay for the taxis out of their own pocket, obtain a receipt and seek reimbursement through petty cash or as part of an expense claim.
- 4.9.13 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".
- 4.9.14 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.
- 4.9.15 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 are to be paid separately by the travelling staff member.
- 4.9.16 All receipts must be retained and attached to the travel claim. The claim is to be authorised on a one-up basis.
- 4.9.17 For expenditure incurred in New Zealand there should also be a GST invoice to ensure that GST can be reclaimed by the School.
- 4.9.18 Authorisation can still be given for expenditure 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.
- 4.9.19 Staff must travel by the most direct route unless scheduling dictates otherwise.
- 4.9.20 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.

Reviewed: 21 September 2016

4.10 Foreign Fee Paying Students

- 4.10.1** The school will abide by the requirements of the Code of Practice for Pastoral Care for International Students.
- 4.10.3** Foreign Fee paying students will be accepted for enrolment at the discretion of the school Principal.
- 4.10.4** Any net income generated from the Foreign Fee Paying students will be applied at the discretion of the Board.
- 4.10.5** Refunds will be made in exceptional circumstances only. Applications must be made in writing to the Board of Trustees.

Reviewed: 21 September 2016

Policy 4A: THEFT AND FRAUD PREVENTION POLICY (NAG 4)

RATIONALE:

The Board of Trustees needs has a responsibility to protect the physical and financial resources of the School. The Board through its chief executive, the Principal, 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.

PURPOSE:

Ensure that systems and procedures are in place to guard against the actions of theft and fraud, and to ensure the Schools resources are kept secure and are accounted for.

GUIDELINES

The Principal is to report such actions to the Board Chairperson as prescribed in the Theft and Fraud Prevention Procedures.

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

In order to fulfil the policy, the board and management have developed, and will regularly review, the following procedures and guidelines associated with 'Finance':

- Cash Handling
- Finance Management
- Fixed Assets
- Gifts
- Financial tasks
- Theft and Fraud Prevention

Chairperson *Jon White*

Reviewed: 21 September 2016

4.11 Theft and Fraud Procedure (NAG 4)

4.11.1. The board has a responsibility to both actively prevent and detect theft and fraudulent actions by employees of the school, this includes: persons who are service recipients of the school or are employed or contracted by the school.

4.11.2 The Board of Trustees requires systems and procedures that protect against theft and fraudulent actions to be established by the Principal. The Principal shall inform the Board Chairperson of any such actions in accordance with the procedures outlined below.

4.11.3 The principal must ensure that:

- All of the school's financial systems meet the standards and requirements specified in the Public Finance Act 1989, Section 42 (b), as well as, the general accounting practices maintained by the Institute of Chartered Accountants of New Zealand. Furthermore, these financial systems must be designed to both prevent and detect the occurrence of theft and fraudulent actions.
- Systems are in place to ensure that the school's physical resources are kept secure (and accounted for)
- All persons who are formally entrusted with the school's physical and/or financial resources are competent to perform such responsibilities and that such persons are accountable for the correct execution of their responsibilities.
- All school personnel understand that they have a responsibility to inform the Principal **immediately**, should they become aware of, or suspect any fraudulent or improper actions by; staff members, students, contractors, suppliers, or any other person connected to the School.

4.11.4 The Principal will act in accordance with the following procedures in the event of a reported allegation of theft and/or fraud:

- (a) A decision will be made to either immediately inform the New Zealand Police of the allegation or to follow the steps outlined in subsection (b) below.
- (b) Within twenty-four hours the Principal shall:
 - i) Formally record the details of the allegation, which would include; the person(s) alleged involved, the approximate value (and/or quantity) of the fraud or theft, and any further details provided by the informant (e.g., the time and circumstances in which the theft or fraud occurred).
 - ii) Request a detailed **written statement** from the informant.

- iii) Inform (and confer with, if appropriate) the Chairperson of the Board of Trustees of the information received.
 - 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 NZ 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, MOE local office and/or the school's auditors.
- (e) Once all available evidence is obtained the Principal shall consult with the Board Chairperson, who may if considered 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/s are invited to be present.
 - ii) Meet with the person who is the subject of the allegation of theft or fraud and their representative/s 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.

4.11.5 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.

- 4.11.6** The board affirms that any allegation 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/s implicated.
- 4.11.7** Any intimation or written statement made on behalf of the school and related to any instance of supposed or actual 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.
- 4.11.8** Any allegation concerning the Principal should be made to the Board Chairperson who will then investigate in accordance with the requirements of paragraph 4; and if it is against a member of the board to the Principal, who will then advise the manager of the local office of the MOE and commence an investigation in accordance with the requirements of paragraph 4.

Reviewed: 21 September 2016

4.12 Novopay Procedures (NAG 4)

- 4.12.1** The Board of Trustees has overall accountability for the leave, salaries and wages of their employees. All instructions for employees must originate from the Board or their appropriate delegated member of staff
- 4.12.2** These instructions are either provided to Novopay using an approved form or entered directly by the school payroll administrator (the school secretary) or principal, through the Novopay online application.
- 4.12.3** After a pay run occurs, Novopay produces a Staff Usage and Expenditure (SUE) Report containing the details of what was paid to staff in that pay run. The principal should thoroughly check and monitor the SUE and Banking Staffing Report each pay period to ensure that salary and wage instructions were correctly carried out.
- 4.12.4** The costs for employees on the payroll must be entered as a journal entry each month. This will be completed by the school accounts person and ensures meaningful reporting against budget. The SUE reports also forms part of the supporting documentation for part of the school's annual accounts.
- 4.12.5** The principal, acting under formal delegation of the Board, must ensure on behalf of the Board that (a) public money is being appropriately spent in the payroll, whether this is through the Operational Grant or through teachers' salaries. (b) All salary and wage instructions comply with the intentions of the

Board. (c) Leave, salary and wage instructions are correctly actioned. (d) Ensure that expenditure is appropriately recorded in school accounting systems.

- 4.12.6** Novopay online does not allow the school to alter the principal's salary details, therefore all matters relating to the principals salary will be dealt with by the appropriate nominated forms being completed, signed by the Board chairperson and then sent to the Novopay service centre for their action.
- 4.12.7** Novopay online does not allow pay administrators to alter their own pay details therefore our school secretary's pay details will be managed by the principal.
- 4.12.8** The Novopay SUE Report and the Transaction Report enables the principal to see the pay details of all staff and the payroll changes made since the last pay run.
- 4.12.9** Some payroll transactions can only be performed by the Novopay service centre.
- 4.12.10** Each SUE record and accompanying Transaction Report will be verified and formally signed off by the principal and filed securely.
- 4.12.11** Once an employee has access to the Novopay service user names and passwords must not be shared.
- 4.12.12** A security access report is provided online as part of the Novopay service. This report details all current users and their level of access. The principal will regularly check this report to ensure user access aligns with employees' roles and responsibilities in relation to the education service payroll.
- 4.12.13** The principal, (or acting principal) school secretary, and accounts person have access to Novopay online.
- 4.12.14** The school payroll administrator (school secretary) will keep appropriate source documents to reflect all data entered on the Novopay online service. This source documentation will include time sheets for caretaking and cleaning staff; the relevant Novopay forms completed by staff/principal for pay detail change; and information related to day to day relievers which includes the relievers name, the date they worked, the teacher they relieved for, the reason for the teacher's release, any mileage claimed, the signature of the reliever, and the signature of the teacher being released.

Reviewed: 21 September 2016

**St Joseph's School Pukekohe
Finance Policy Supplementary Schedule of Responsibilities**

**Adopted by the Board of Trustees on 18 February 2015 and
reviewed on 21 September 2016**

The list below shows financial tasks alongside the person responsible for carrying out each task. This Schedule is supplementary to the School's Schedule of Delegations, and when carrying out these tasks Trustees, staff, contractors and volunteers must not exceed the authority delegated to them via their Memorandum of Delegation.

Banking and Cash Handling

What	Who
Opening mail and receipting the cash and cheques received	School Secretary/Office Assistant
Receipting of all student cash received	School Secretary/Office Assistant
Processing of lunch order takings	Lunch Coordinator
Preparation of banking	Accounts person
Signature of bank deposit	Accounts person
Deposit of banking	Accounts person
Reconciliation of daily receipts with banking	Accounts person
Periodic bank reconciliation	Accounts person
Certification of bank reconciliation	Accounts person
Custody of cash and cheques	School Secretary/ Office Assistant/ Accounts person

Petty Cash

What	Who
Authorising reimbursement of petty cash claims/vouchers	Accounts person
Reconciling petty cash balance	Accounts person
Signing petty cash top-up cheque	Principal and a Board Member

Purchases and Payments

What	Who
Raising purchase orders – paper, phone or internet	Budget Holders
Verifying receipt of goods or services	Budget Holders
Approval of invoices for payment	Principal
Signing cheques/approving bank payment	Principal and a Board Member

Investments

What	Who
Transfer to and from general, at-call and term deposit accounts	BOT Treasurer
Reconciliation of transfers	Accounts person

Accounting System

What	Who
Accounting systems daily back-up	Accounts person
Weekly off-site back-up storage	Accounts person
Monthly history file back-up	Accounts person
Annual archive back up safe deposit	Accounts person

Payroll

What	Who
Check of fortnightly SUE report	School Secretary/Principal
Reconciliation with bank debit with errors followed up	Principal
Verification of SUE reconciliation report and bank debit	Principal
Attendance fee voucher certification	Accounts person
Staff expense claim – voucher approval	Accounts person /Principal

Income

What	Who
Preparation of receivables invoices	Accounts person
Certification of invoices	Accounts person
Reconciliation of receivables ledger	Accounts person
Verification of reconciliations	Accounts person
Debt write-off approvals	Principal

Fixed Assets

What	Who
Fixed asset purchase approval	Board
Fixed asset purchase order approval	Principal
Fixed asset delivery acceptance check	Curriculum Leader
Fixed asset invoice certification	Accounts person
Fixed asset voucher certification	Principal
Fixed asset register update	Accounts person