

# 4 Financial planning and condition policy

## Outcome statement

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

## Scoping

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.

## Delegations

The principal, in association with the presiding member, is responsible for recommending an annual operating and capital budget to the board within the timelines specified in the board work plan.

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.

## Expectations and limitations

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 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 property is not sold or purchased
- all relevant government returns are completed on time
- no one person has complete authority over the school's financial transactions
- when making any purchase:
  - o of over \$1000, comparative prices are sought
  - o of over \$3000, an adequate review of ongoing costs, value and reliability is undertaken
  - o of over \$5000 on a single item, board approval is first sought
- effective systems are in place to meet the requirements of the payroll system.

## Procedures/supporting documentation

Annual budget

[Cash management Policy](#)

[Sensitive expenditure](#)

## Monitoring

The principal is responsible for financial reporting and demonstrating budget compliance. Where there is non-compliance, variances are to be reported to the board with recommendations on the actions required to meet compliance.

## Legislative compliance

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

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Reviewed: October 2022

Next review: September 2024

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## 4.1 Asset protection policy

### Outcome statement

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

### Scoping

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

### Delegations

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

### Expectations and limitations

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 furnishing, plant machinery, equipment, text and library books costing more than \$1000
- ensure the implementation of the 10-year property maintenance plan
- engage sufficient property maintenance staff for the school within budget limitations
- receive board approval for maintenance contracts over \$5,000 for any one contract
- conduct competitive tenders for all contracting
- 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.

### Procedures/supporting documentation

*Asset register, 5YA/10YPP, school house inspections.*

### Monitoring

*Principal and/or Board property members to report to the board.*

### Legislative compliance



Refer to the Ministry of Education website for information on managing school finances and the [Financial Information for Schools Handbook \(FISH\)](#) *Kei te whakatakataka a matou akonga mo nga ahei a tona wa*

**Preparing our students for the possibilities of tomorrow.**

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