

**POLICY 4.1
FINANCE**

Ratified at Board Meeting	25 Nov 2021
Next Review Due	2024

RATIONALE:

The College must remain financially viable, manage risk effectively and ensure resources are targeted to where they make the most difference to outcomes for students. The policy is in keeping with the Special Character of the College and the Strategic Plan.

DELEGATIONS:

1. The Board has overall responsibility for the financial management of the College.
2. The Board will appoint a Finance and Property Committee to assist the Principal with the financial management of the College.
3. The Principal is the day-to-day manager of the College and responsible for achieving legislative requirements and charter/strategic aims and targets within board policy objectives and Proprietor's requirements.
4. The financial viability of the College must be protected at all times, and every practicable effort is made to eliminate the risk of theft or fraud.
5. The Board delegates the day-to-day management of the College's finances and budget to the Principal. Financial reports are to be prepared ahead of every board meeting.
6. The Principal, in association with the Finance and Property Committee, is responsible for recommending an annual operating and capital budget to the Board within the timelines specified in the Finance and Property Committee terms of reference.
7. The Principal is required to ensure robust, clear procedures are in place to safeguard the integrity of financial management.

GUIDELINES:

The Board will:

1. Elect a Finance and Property Committee to oversee financial operations. The committee will meet prior to each board meeting and will present a report to the full Board at its monthly meeting. The Finance and Property Committee's proceedings will be minuted.
2. Authorise accounts payable by the College and have that minuted.
3. Ensure annual financial reports are prepared, independently audited, and made available to the Ministry of Education and community.

The Principal and Finance and Property Committee will:

1. Present the Board with an annual budget for their approval that reflects the priorities in the annual plan.
2. Have in place a system to monitor expenditure.
3. Ensure tagged/committed funds are not used for purposes other than those approved.
4. Ensure more funds than have been allocated in the fiscal year are not spent without prior board approval.
5. Ensure no one person has complete authority over the College's financial transactions.
6. Ensure that the College operates a robust financial system with all key processes and procedures in place and documented.
7. Ensure effective systems are in place to meet the requirements of the payroll system.

8. Ensure that when making any purchase of over \$10 000 over budget on a single capital item, or disposal of such item, board approval is first sought.
9. Maintain a procedural manual which will be reviewed biannually by the Finance and Property Committee. This will include:
 - a. Segregation of duties
 - b. Asset management procedure
 - c. Cash management, sensitive expenditure and credit card procedure
 - d. Schedule of delegation
 - e. Theft and fraud procedure
 - f. Travel and entertainment procedures
 - g. Reporting

ASSOCIATED LEGISLATION / SUPPORTING DOCUMENTATION:

Annual Budget

Procedure Manual

Ministry of Education website for information on managing school finances and the Financial Information for Schools Handbook (FISH)

Finance and Property Committee Terms of Reference