



NEW PLYMOUTH BOYS' HIGH SCHOOL

TE KURA TAMATĀNE O NGĀMOTU

Title	FINANCIAL MANAGEMENT
Reference Number	D403
Section	Resources
Written By	Finance Committee
Checked By	NPBHS Board of Trustees Policy Committee
Approved By	NPBHS Board of Trustees
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Associated Policies	Protected Disclosures, (A110), Gratuities, (C310), Theft and Fraud Prevention, (D405), Sensitive Expenditure, (D407), Credit Card (D406)
Associated Procedures	

RATIONALE :

The Board of Trustees is responsible for the finances of both the School and the Hostel. The Headmaster will be the Board's financial manager with the assistance of the Finance Manager.

PURPOSE :

1. To effectively and efficiently utilise all financial resources to provide an optimum learning and teaching environment that facilitates the achievement of the NPBHS strategic plan.
2. To provide a mechanism for financial accountability and control over the school's financial resources.
3. To safeguard the assets of the school for future generations.

GUIDELINES :

1. Financial accountability and control of the school financial resources will be established which complies with the requirements of the Office of the Controller and Auditor General.
2. There must be identification of the financial recording systems required to be maintained under the guidance of the Finance Manager. All financial recording systems must provide adequate audit trails and controls to ensure the aims of this policy are fulfilled.



The financial recording systems should include the ability to process :

- Budgets
- Income and Expenditure
- Financial position and Cash Flow
- GST return calculations
- FBT return calculations
- Accounts payable processing
- Debtors ledger of non curriculum related recoveries and Hostel Fee payments
- All aspects of wages, including Ed Pay, PAYE and ACC.
- Regular monthly reporting of financial transactions.

3. The Financial Committee Chairperson shall review the financial reports for the School, and Hostel, meeting on a regular basis and report to the Board of Trustees any abnormal items or variances.

4. Annual School and Hostel Budgets (both Operational and Capital Expenditure) are to be completed by the Finance Manager in consultation with key budget holders, including the Headmaster. Budget is then referred to the Headmaster and Finance Committee for recommendation to the Board.

The Budgets are then adopted by the Board of Trustees with a resolution no later than December of the prior year for the commencement of the next Financial year.

5. Delegations of Authority

5.1 Ordering of all goods and/or services, including capital items, for both the School and the Hostel requires an electronic Purchase Order from the School's accounting system - Xero. All orders must directly relate to the Annual Operational Budgets as previously authorised by the Board of Trustees. (Please see item 4).

- All authorised holders up to \$2,500 per order.
- Finance Manager up to \$100,000 per order.
- Headmaster up to \$200,000 per order.
- Board of Trustees any amount over \$200,000 per order.

5.2 Purchase and / or sale of Capital Items.

- All capital purchases and/or sales must directly relate to the Annual Capital Budgets as previously authorised by the Board of Trustees. (Please see item 5).
- All orders require an electronic Purchase Order - as 6.1).
- Any purchase and/or sale of Capital Items outside of the annual School and Hostel budgets must be authorised prior by the Board of Trustees.

5.3 Authorisation of Invoices for payment by both the School and Hostel :

- Finance Manager for all amounts up to \$100,000.
- Headmaster for all amounts up to \$200,000.
- Board of Trustees for all amounts over \$200,000.

5.4 Contracts on behalf of the Board of Trustees :

- May be entered into by the Finance Manager up to a maximum of 12 months duration and / or a total commitment of up to \$100,000.
- May be entered into by the Headmaster up to a maximum of 24 months duration and / or a total commitment of up to \$200,000.
- Must be entered into by the Board of Trustees if over 24 months in duration and / or a total commitment in excess of \$200,000.



- 5.5 Transfers to or from Reserves and Trusts :
- All transfers to or from Reserves plus School operated Trust Accounts must have prior Board of Trustees approval
- 5.6 Applications for funds/sponsorships or other monies :
- All applications for funds/sponsorships or other monies must have prior Headmaster approval.
- 5.7 Wages and Salaries payment sign-off :
- Non-teaching Staff, Finance Manager or Headmaster to sign off.
 - Teaching Staff, Assistant Headmaster and/or Headmaster
- . SUE Report Headmaster per fortnight; per term; Board of Trustees Chair to sign off.
- 5.8 Setting of Fees :
- International Fees - Headmaster authorisation required.
 - Hostel Fees - Hostel Committee authorisation required.
- 5.9 Purchase of Alcohol :
- Authorisation required by :
 - Headmaster
- 5.10 Making an Insurance Claim :
- Authorisation required from :
 - Headmaster for claims up to \$100,000
 - Board of Trustees for claims in excess of \$100,000
6. The Finance Manager shall invest excess funds and manage the cash flow in a business like manner to ensure the school maximises benefits from all funds available.
7. The Board of Trustees shall **ratify** any payments as follows :
- Any asset purchases or sales where the value of any item exceeds \$100,000, + GST.
 - Any payment where at the time of approval by the Board of Trustees the exact amount of the transaction is unknown.
8. The Board recommends the appointment of an Auditor, as prescribed by the Office of the Controller and Auditor General, with the appointment then confirmed by the Office of the Controller and Auditor General. The appointments are made for a three year term.
9. Financial reports shall be completed to the standard required of Public Sector Accounting, and the annual report shall be audited by the Auditor in a timely manner.
10. The Deputy Headmaster responsible for the staff manual shall ensure that the procedures for financial transactions are updated and brought to the notice of all staff.