



## NAG 4 FINANCE & PROPERTY

### **POLICIES**

- Control of Finance
- Theft & Fraud Prevention

### **PROCEDURES**

- Gifts & Donations
- Property Development

# **CONTROL OF FINANCE POLICY**

## **RATIONALE**

Internal control of finances will provide a reasonable assurance that any errors and irregularities are discovered quickly.

## **PURPOSE**

To provide appropriate management systems to ensure that the school finances are safeguarded.

## **GUIDELINES**

### **Banking Of Cheques**

1. All cheques received are to be stamped "not transferable".
2. All monies are to be banked intact each month.
3. All bankings are to be classified appropriately e.g. stationery, donations etc.

### **Payment Of Accounts**

1. During the second week of each month, collate all invoices and statements.
2. Check each statement to ensure:
  - a) Account rendered has not been previously paid by the Board of Trustees.
  - b) For each invoice listed on the statement there is an invoice for which spending has been approved.
  - c) Adjust the statement balance to ensure that the amount to be paid represents an amount for which approved invoices are held.
  - d) Staple all invoices to the statement.
3. Prepare a voucher for each creditor paid or to be paid.
4. Prepare cheques for payment of accounts stamping each cheque "not transferable" and cross out "or bearer". Clip each statement payment advice to the cheque.
5. Those creditors for whom we have Direct Debit arrangements - collate invoices and statements as per 2 a – d above. Prepare a voucher for each creditor.

### **Delegations**

1. Accounts may be approved for payment and paid by the Principal, (or the Staff Representative to the B.o.T. in the Principal's absence), provided the payment is within a budget authority previously approved by the Board of Trustees. Expenditure outside budget authority within expenditure sections is permitted provided the total amount for each section is not exceeded. Over expenditure of budget sections may only occur with Board of Trustees approval.
2. A list of accounts paid will be presented for Board of Trustees perusal and acceptance at each meeting.

### **School Accounts**

1. The cash book spreadsheet is to be prepared, balanced and signed by the Principal before being forwarded to the accountant as per the monthly schedule.
2. A printed copy of the month's transactions is to be presented at the Board of Trustees meeting.

### **Money Paid At The Office**

1. All money is to be handled through the school office.
2. Each item is to be rung on the till as its unique charge.
3. Each days totals will be added to a spreadsheet and totalled up at the end of the week.
4. The totals for each unique charge are then entered into an excel spreadsheet. Money will be added up, matched with the totals in the spreadsheet, and packaged in a secure pick up bag for the security firm to collect and deliver to the bank.
5. Petty cash is to be recorded separately and a breakdown of how it is spent together with vouchers or receipts is to be presented when reimbursement is required.
6. Cash is available for urgent small purchases and will be reimbursed when a total of \$50 is reached.

### **Cheque Signatories**

The use of signed blank cheques is not permitted. All cancelled cheques are to be marked as such and stapled to the voucher.

The Board of Trustees' Chairperson, Treasurer, Principal and Staff Representative will be cheque signatories. Two signatories will be required to sign each cheque.

### **Credit Card**

1. The credit card will be kept in the school safe.
2. The credit card will not be used for personal expenditure.
3. The credit card will only be used for:
  - Payment of actual and reasonable travel, accommodation and activity expenses incurred on school business.
  - Purchase of goods where prior authorization from the Board has been given through the budget.
4. All expenditure charged to the credit card will be supported by a credit card slip and a detailed invoice or receipt to confirm that the expenses are properly incurred on school business.
5. The expenditure charged to the credit card will be viewed by the Board at every meeting and signed off by the Board Chair.

### **Auditing**

The school accounts will be audited annually by Auditors appointed by the B.o.T. and approved by the Office of the Auditor General.

### **CONCLUSION**

The internal control system will help the Aorangi School Board of Trustees ensure that school funds and assets are properly safeguarded against loss, theft or other unauthorised use.

# **THEFT AND FRAUD PREVENTION POLICY**

## **RATIONALE**

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.

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.

## **GENERAL**

- 1) 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 Crown Entities Act 2004 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.
- 2) 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 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 they consider 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 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 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.
- 3) 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) 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.
- 5) 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.

### **Allegations Concerning the Principal or a Trustee**

- 6) 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.
- 7) 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.

### **APPROVAL**

- 8) When the Board approved the Policy it was agreed that no variations of this Policy or amendments to it can be made except by the unanimous approval of the Board.
- 9) 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 Aorangi Primary 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.

# **GIFTS AND DONATIONS PROCEDURES**

## **PURPOSE**

To ensure that gifts and donations are allocated in a fair and consistent manner.

## **GUIDELINES**

1. When considering the making of gifts or donations, the Board will remain aware of the purpose for which the school funds have been placed at their disposal.

### **External Gifts and Donations**

1. When considering donation requests from charities, non-profit organisations, sports bodies and other institutions or individuals, the past, present and future relations between Aorangi School and the other party shall be taken into account.
2. Criteria will include:
  - exceptional need.
  - past or present association with the body making the request.
  - where other schools may have decided it appropriate to contribute.
  - another learning institution which has suffered significant loss.
3. The value of any single donation or gift will generally be in the range of \$50 up to a maximum of \$100 in exceptional circumstances. In exceptional circumstances this maximum may be exceeded by way of a formal Board decision and will be recorded in the minutes of the meeting.

### **Internal Gifts and Donations**

1. The Board will consider gifts to staff who retire or leave Aorangi School using the following criteria:

• Up to 2 years	\$50
• 3-5 years	\$60-\$100
• 5 years+	\$100+
2. The Board will consider gifts up to the value of \$50 to staff for special occasions such as weddings, graduations and bereavements.
3. A gifts and donations budget will be maintained to enable monitoring of allocations on an annual basis.

## PROPERTY DEVELOPMENT PROCEDURES

### PURPOSE

- To provide an environment conducive to learning.
- To meet the obligations of Health and Safety for the children, staff, community and any other members of the public.
- To maintain buildings and grounds in a high standard ensuring they are both functional and attractive.
- To continually upgrade, extend and develop school facilities.

### GUIDELINES

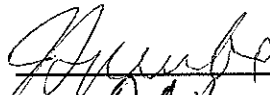
1. Finance will be provided to ensure that grounds and other facilities will be maintained in a safe, tidy, clean and hygienic condition.
2. A fixed assets register will be compiled and maintained.
3. Furnishings and equipment will be kept in a safe and workable condition. The budget will allow for maintenance and renewal.
4. Property management will reflect the school's Health and Safety policies and procedures and give due consideration to equity and the Treaty of Waitangi requirements.
5. The 5 Year Property Agreement as negotiated with the Ministry of Education will be implemented.
6. The annual budget will outline maintenance requirements and their costs.
7. The Property Committee will make regular checks of the school to ensure Health and Safety requirements are being met.

**Approved**

**Board of Trustees Meeting**

10/08/2017

**Signature of Chairperson**



**Signature of Principal**

