

CONTROL OF FINANCE

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 on Fridays.
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.

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.

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| Approved | Board of Trustees Meeting | ___ / ___ / ___ |
| Signature of Chairperson | _____ | ___ / ___ / ___ |
| Signature of Principal | _____ | ___ / ___ / ___ |