

6. FINANCE POLICY

Rationale:

To provide a process to ensure compliance and accountability in the management of public money.

Legislation:

Public Finance Act 1989 Education and Training Act 2020 Crown Entities Act 2004 Financial Reporting Act 2013

Purpose:

To effectively manage James Hargest College's financial resources and allocate them to achieve the goals set within the Charter. To maintain strict accountability for and control of James Hargest College's financial resources in accordance with MOE requirements. To safeguard the assets of James Hargest College including maintaining an up to date register of any current assets and implement a maintenance programme to ensure that the school's buildings and facilities provide a safe, healthy learning environment for current and future generations of students.

Procedures:

For each James Hargest College year the Financial personnel, Board of Trustees Finance Committee and Principal will: Keep expenditure within budget and report monthly- six weekly to the Principal and Board of Trustees on performance against that budget.

Ensure all expenditure, and commitment of expenditure, is approved within the Board of Trustees' delegations. Ensure reports comply with the required accounting standards, and that the annual financial statements and GST are presented to the Auditor then to the Ministry of Education on time. Ensure records of all financial transactions are correct and up to date.

Function of the Board of Trustees

The Board of Trustees retains primary responsibility for the overall financial management of James Hargest College in accordance with governance obligations. From time to time it will delegate some of its authority and responsibilities to Committees and Heads of Department; however, in each of these cases it will retain an overseeing role. The Board will ensure that the College's documented financial management procedures are actively followed and monitored for compliance. The Board will allocate funds to curriculum, staffing and property in a way that gives effect to the priorities stated in the College Charter.

Specific Responsibilities Retained by the Board of Trustees

The Board of Trustees has retained the following financial management responsibilities:

- Approval of the finance policy
- Approval of delegations Approval of the annual budget
- Approval of any expenditure in excess of budgeted levels
- Approval of all contracts signed on behalf of James Hargest College

In addition to this the Board of Trustees will receive a report 4-6 weekly from the Finance Committee summarising James Hargest College's performance against budget.

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The Board will endeavour to seek sufficient financial donations from parents/caregivers and the local community in order to have the resources necessary to fulfil the school's mission and to pursue its strategic priorities

Function of the Finance Committee

- The Board of Trustees will establish a Finance Sub Committee to manage College finances.
- The Board will ensure that the school's annual operating objectives and budget reflect the Board's priorities and obligations.
- The Finance Committee shall provide advice to the Board of Trustees and Principal on financial matters.

Specific Responsibilities Delegated to Principal:

- Consult with James Hargest College's budget holders and work with the finance team in budget preparation.
- Ensure budgets are drafted.
- Ensure the final budget is presented to the Board of Trustees for approval before year end.
- Keep Board of Trustees informed on financial requirements set out by MOE (Ministry of Education).

Monitoring:

Monitor budget control and cashflow

Reporting Prepared by Executive Officer:

- Provide the Board of Trustees with monthly financial reports (4-6 weekly). Ensure reports comply with legislation, authoritative accounting standards and generally accepted accounting principles.
- Ensure draft annual financial statements are presented to the Board of Trustees by mid-March.
- Ensure the draft financial statements are provided to the auditor by 31 March.
- Ensure the audited financial statements are provided to the Ministry of Education by 31 May.

Record Keeping by Executive Officer:

- Maintain a register setting out financial responsibilities and delegations.
- Oversee the maintenance of the asset register.

Responsibilities of the Principal

The Principal will manage this policy on the Board of Trustees behalf and ensure appropriate systems and procedures are in place to safeguard James Hargest College's assets.

The Principal is responsible for the prudent and efficient management of the school's expenditure and revenue on a day-to-day basis

- The Principal will manage all applications from Heads of Departments for funding.
- The Principal is responsible for the management of College curriculum and maintenance resources.

Electronic Banking

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James Hargest College retains the right to pay accounts, wages and other outgoings by electronic banking. This is to be done in accordance with authorised signing authorities where **TWO authorised staff or delegated persons** will verify all payments prior to electronic confirmation.

Where there is a single payment in excess of \$10,000, in line with Principal delegations, that is not part on any existing contractual agreement by the College, the **Principal** and one other authorised person will need to verify these payments.

Term Deposits and Unbudgeted Funds

No Term Deposit whether held in trust, bequeathed to James Hargest College or held on account of James Hargest College is to be spent without prior approval of the Board of Trustees.

Unforeseen expenditure needs to be applied for and negotiated with the Principal (contestable fund), all other spending to remain within approved budget allocation.

Ratified by the Board of Trustees
21st September 2023

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