TE AWAMUTU COLLEGE

PROCEDURES - FINANCIAL

Board Responsibilities
Within the powers and obligations established by legislation, it is the Board of Trustee's responsibility to establish the policies governing:

a. The collection and expenditure of all monies by the school
b. The incurring by the school of any liabilities and commitments on the school's assets
c. The safe custody, maintenance, protection and proper use of the school's resources.

Within the legislation and Board Policy it is the responsibility of the Principal to manage the school's operations.

Internal Control
Wherever practicable, procedures should be established which ensure that the risk of error or misappropriation of the school's resources are minimised. It is also important that individuals are not placed in a position where accusations can be made against them which are difficult to refute. For these reasons two people should participate in all transactions where practicable.

The Principal and the Finance Officer will monitor the transactions and may from time to time undertake internal control checks to ensure that procedures are being properly followed. Sound internal control is in the interests of all concerned and all staff are required to co-operate in any checks undertaken.

Budget Approval
Formal approval by the Board of the Annual Plan and Financial Budget, including any associated programmes, e.g. buildings maintenance programme, constitutes authorisation to the Principal to collect and expend monies consistent with the Plan, Budget and Programmes and other Board Policies.

Any collections or expenditures of money outside the provisions of the Plan, Budget and Programmes and other Board Policies require prior Board approval except in an emergency. The Principal must seek Board ratification of emergency collections or expenditures as soon as practicable.

School Bank Accounts
Only bank accounts formally authorised by the Board will be used for school purposes. The school will operate only one current account which will be used for all school operational transactions. All monies received or paid on behalf of the school will be deposited into and paid from the school's Operating Bank Account.

The Board may approve the use of investment accounts in any registered Bank from time to time.

The school bank accounts do not include the accounts of the Parent Teacher Association (if in existence). Care must be taken to ensure that only monies which explicitly belong to the school are banked to the school accounts.

Only those formally authorised by the Board will have authority to sign cheques or otherwise authorise payments from school bank accounts.

Two signatories are required for all withdrawals from school bank accounts.

The school's Finance Officer will obtain new receipt books, cheque books and deposit books as required. These will be kept in a locked cupboard or drawer when not in use.

Investments
Surplus school funds will be invested in accordance with S73 Education Amendment Act 1993. The Finance Officer will obtain the best interest rates and consult with the Board Chairperson, who will approve the invested amount and maturity date and a written advice be sent to the institution where the deposit is placed. On maturity the funds must be deposited into the bank account from which the original investment was made. If a new account is opened, instructions to transfer funds should be written and signed by two cheque signatories. All investments will be monitored by the Finance Officer. The Board may invest in other opportunities only with the consent of the Minister.

Bank Reconciliations and Monitoring
Bank accounts and investments will be reconciled monthly with the school records by the Finance Officer.

The Finance Officer will monitor the position of the bank accounts and ensure that they are kept in funds.

Mail
Stamp all invoices with the approval and analysis stamp.
Put invoices into staff members' pigeon holes.

Receipt of Monies
The school cashier will:

- Prepare receipts for all cash received
- Ensure all monies received are recorded and banked as soon as possible after receipt.
- Determine the accounting classification of the receipts.

Note
Care must be taken to ensure that any private, PTA or O-Tāwhao Marae monies held within the school are clearly distinguished from school monies.

Under no circumstances are monies received to be used to make payments rather than banked.

Payments of School Monies
Heads of Departments/Teachers in Charge will authorise all invoice payments and determine the accounting classification. This authorisation will include an endorsement on the supplier's invoice or equivalent which clearly identifies the person who incurred the debt and received the goods.

Authorisation indicates that the payment has been properly incurred, i.e.

a. Within budget or Board approval
b. Within Board policy and direction
c. Necessary for the effective operation of the school
d. Properly incurred by an authorised person
e. That the goods or services have in fact been received
f. That the amount invoiced is the correct amount payable.

Those authorising payments must take care to ensure that accounts are not paid twice. For this reason payment should generally be made only on original invoices. Particular care should be taken with copy invoices.

Invoices are required for all GST claims as well as to support the payments.

Payments will generally be made monthly.

The Finance Officer will:

Invoices Approved:
- Check that invoices have been completed as to approval and show department and General Ledger codes.
- Process invoices through the computer Creditors system.
- Mark invoices as "Entered".
- File on "Invoices for Payment" file.

Creditors Statements:
- Check the detail with the computer Creditors system
- If correct, then check off invoices and attach to the statement in the same order as on the statement.
- Transfer statement and invoices attached to the "Accounts for Payment" file.
- Follow up and solve any queries.

Payment of Accounts
In the creditors system:
- Select accounts completed for payment.
- Draw cheques.
- Update creditors system for accounts paid.

CHAIRPERSON _____ DATE 6/3/15

PRINCIPAL _____ DATE 11/3/15