



TE AWAMUTU COLLEGE



PROCEDURE DEPARTMENT BUDGETS

Rationale

The Board recognises the need to allocate funds equitably to facilitate excellence in teaching and learning.

Purposes

1. To enable departments to achieve their goals.
2. To enable adequate maintenance of department resources.
3. To place the responsibility for managing department budgets with the HOD who is accountable to the Board Finance Committee.
4. To facilitate school accounting procedures and audit requirements.

Financial Management Procedures

Key Elements

The three key elements of the College's Financial system are:

1. Budgetary Planning
2. Financial Monitoring during the year
3. Historical Recording

Requirements

1. Accuracy
2. Efficiency
3. Standardisation
4. Timeliness
5. Regular Reporting

The requirements are achieved by compliance with a set of established procedures. Each staff member involved has an individual responsibility to comply with the procedures at all times.

Responsibilities

The levels of responsibility are:

- Teacher in Charge
- Head of Department
- Principal
- Board of Trustees

Teacher In Charge

- Make recommendations on the budget requirements for the ensuing year.
- Operate the Department's costs within the budgets set.
- Monitor the financial costs of the department during the year ensuring that the costs are maintained within the approved budgets.
- Comply with the procedures to enable accuracy, timeliness of reporting and efficiency of processing.

Heads of Department

- Consolidate the Department recommendations into a recommendation for the whole Department on the budget requirements for the ensuing year and make the recommendations to the Principal.
- Oversee the financial costs of the Department during the year to ensure that the costs are maintained within the approved budget.
- Supervise compliance with the procedures to enable accuracy, timeliness of reporting and efficiency of processing.

Principal

- Consolidate the Department recommendations into a recommendation for the College on the budget requirements for the ensuing year and make the recommendations to the Board of Trustees.
- Oversee the financial costs of the College during the year to ensure that the costs are maintained within the approved budgets.
- Supervise compliance with the procedures to enable accuracy, timeliness of reporting and efficiency of processing.

Board of Trustees

- Receive and approve the budgets established for the ensuing year.
- Receive the Financial Reports during the year monitoring that the financial performance of the College is maintained within the Board's established financial objectives.
- Approve variations from the College's budgets during the year.

Budgeting Process

In the last BOT meeting of each year the BOT approves the budget for the next year.

The Budgeting Process is:

- Under the control of the Principal and the Finance Officer.
- HODs/TICs will be asked to complete supporting documentation for Department budgets.
- HODs will consolidate the Department budget requirements.
- The Principal and the Finance Officer will establish the draft budget for the next year.
- The Finance Committee will convene to review and discuss
- The Principal will put forward a Draft Budget to the Board of Trustees.
- The Board of Trustees will discuss and give final approval of a Budget for the next year.

The Use of Budgets:

By the budget approval process the Board of Trustees is saying:

- "We approve these parameters of financial performance, we expect this income and we approve this level of expenditure."
- The Board is then interested in monitoring the College's compliance with the College total budget and addressing any expected or reported variations.
- The Board does not need to approve expenditure that has already been approved through the budget approval process.
- The Board should be able to assume that all Departments will perform within the budget approvals and anticipated variations will be reported to them.

Reports

The Finance Department should produce the following reports on a monthly basis or more frequently as required.

- Department Reports - To Heads of Department by 21st of each month
- Full Monthly Finance Reports – To Principal and Finance Committee at Finance meeting prior to Board Meeting.
- BOT to receive a summarised Monthly Finance Report.
- Payable Reports – To the Board of Trustees at the Board Meeting.

Conclusion

The Board aims to provide continued adequate funding, however those using it must undertake good planning and accounting procedures.

CHAIRPERSON _____ DATE _____

PRINCIPAL _____ DATE _____