



**NEW PLYMOUTH BOYS' HIGH SCHOOL**  
TE KURA TAMATĀNE O NGĀMOTU

<b>Title</b>	<b>FINANCIAL MANAGEMENT</b>
<b>Reference Number</b>	D403
<b>Section</b>	Resources
<b>Written By</b>	Finance Committee
<b>Checked By</b>	NPBHS Board of Trustees Policy Committee
<b>Approved By</b>	NPBHS Board of Trustees
<b>Issue Date</b>	April 2001
<b>Review Date</b>	February 2014
<b>Associated Policies</b>	
<b>Associated Procedures</b>	

**RATIONALE :**

The Board of Trustees is responsible for the finances of both the School and the Hostel. The Headmaster will be the Board's financial manager with the assistance of the Executive Officer.

**PURPOSE :**

1. To effectively and efficiently utilise all financial resources to provide an optimum learning and teaching environment that facilitates the achievement of the NPBHS charter goals.
2. To provide a mechanism for financial accountability and control over the school's financial resources.
3. To safeguard the assets of the school for future generations.

**GUIDELINES :**

1. Financial accountability and control of the school financial resources will be established which complies with the requirements of the Office of the Controller and Auditor General.
2. There must be identification of the financial recording systems required to be maintained under the guidance of the Executive Officer. All financial recording systems must provide adequate audit trails and controls to ensure the aims of this policy are fulfilled.



The financial recording systems should include the ability to process :

- Budgets
  - Income and Expenditure
  - Financial position
  - GST return calculations
  - FBT return calculations
  - Accounts payable processing
  - Debtors ledger of recovery and fee payments
  - All aspects of wages, including NOVOPAY, PAYE and ACC
  - Regular monthly reporting of financial transactions.
3. The Financial Committee Chairperson shall review the financial reports for the School, and Hostel, on a monthly basis and report to the Board of Trustees any abnormal items or variances.
  4. The Accounts Payable shall be reviewed every month by a Board member on a rotational basis at the request of the Executive Officer and that Board member should report to the Board of Trustees outlining any concerns.
  5. Annual School and Hostel Budgets (both Operational and Capital Expenditure) are to be completed by the Executive Officer in consultation with the Headmaster and Finance Committee prior to the commencement of each financial year.

These Budgets are to then be adopted by the Board of Trustees / Hostel Committee with a resolution no later than one month following the commencement of each financial year.

6. Delegations of Authority

- 6.1 Ordering of all goods and/or services, (other than capital items), for both the School and the Hostel require an order number from an approved BOT order book. All orders must directly relate to the Annual Operational Budgets as previously authorised by the Board of Trustees. (Please see item 5).
  - All authorised holders of BOT order books up to \$2,500 per order.
  - Executive Officer up to \$50,000 per order.
  - Headmaster up to \$100,000 per order.
  - Board of Trustees any amount over \$100,000 per order.
- 6.2 Purchase and / or sale of Capital Items.
  - All capital purchases and/or sales must directly relate to the Annual Capital Budgets as previously authorised by the Board of Trustees. (Please see item 5).
  - All orders require an order number from an approved BOT order book.
  - Any purchase and/or sale must be recorded and ratified at a monthly Board of Trustees meeting if the total value exceeds \$2,500 + GST.
  - Any purchase and/or sale of Capital Items outside of the annual School and Hostel budgets must be authorised prior by the Board of Trustees.
- 6.3 Authorisation of Invoices for payment by both the School and Hostel :
  - Executive Officer for all amounts up to \$50,000.
  - Headmaster for all amounts up to \$100,000.
  - Board of Trustees for all amounts over \$100,000.

- 6.4 Contracts on behalf of the Board of Trustees :
- May be entered into by the Executive Officer up to a maximum of 24 months duration and / or a total commitment of up to \$50,000.
  - May be entered into by the Headmaster up to a maximum of 24 months duration and / or a total commitment of up to \$100,000.
  - Must be entered into by the Board of Trustees if over 24 months in duration and / or a total commitment in excess of \$100,000.
- 6.5 Ministry of Education Five Year Property Projects, (with Ministry approval) :
- Projects under \$50,000 Executive Officer to sign off to proceed.
  - Projects under \$100,000 Headmaster to sign off to proceed.
  - Projects over \$100,000 Board of Trustees to sign off to proceed.
  - Progress payments under \$50,000 Executive Officer to sign off.
  - Progress payments under \$100,000 Headmaster to sign off.
  - Progress payments over \$100,000 Board of Trustees to sign off.
- 6.6 Transfers to or from Reserves and Trusts :
- All transfers to or from Reserves plus School operated Trust Accounts must have prior Board of Trustees approval.
- 6.7 Applications for funds/sponsorships or other monies :
- All applications for funds/sponsorships or other monies must have prior Headmaster approval.
- 6.8 Wages and Salaries payment sign-off :
- Support Staff, (IMS Payroll), Executive Officer and/or Headmaster to sign off.
  - Teaching Staff, (SUE Payroll), Deputy Headmaster / Assistant Principal / Headmaster to sign off.
- 6.9 Setting of Fees :
- |                      |   |   |
|----------------------|---|---|
| • School Donation    | - | Board of Trustees authorisation required. |
| • Subject Fees       | - | Headmaster authorisation required.        |
| • International Fees | - | Headmaster authorisation required.        |
| • Hostel Fees        | - | Hostel Committee authorisation required.  |
- 6.10 Purchase of Alcohol :
- Authorisation required from either :
    - Headmaster.
    - Executive Officer (Board of Trustees events only).
    - Senior Hostel Master (Hostel events only).
    - Director of Extracurricular Activities (Sporting events only).
- 6.11 Making an Insurance Claim :
- Authorisation required from :
    - Executive Officer for claims up to \$50,000.
    - Headmaster for claims up to \$100,000.
    - Board of Trustees for claims in excess of \$100,000.



7. The Executive Officer, shall invest excess funds and manage the cash flow in a business like manner to ensure the school maximises benefits from all funds available.
8. The Board of Trustees shall **ratify** any payments as follows :
  - Any asset purchases or sales where the value of any item exceeds \$2,500, + GST.
  - Any payment where at the time of approval by the Board of Trustees the exact amount of the transaction is unknown.
9. The Board recommends the appointment of an Auditor, as prescribed by the Office of the Controller and Auditor General, with the appointment then confirmed by the Office of the Controller and Auditor General. The appointments are made for a three year term.
10. Financial reports shall be completed to the standard required of Public Sector Accounting, and the annual report shall be audited by the Auditor in a timely manner.
11. The Assistant Principal responsible for the staff manual shall ensure that the procedures for financial transactions are updated and brought to the notice of all staff.

