



Tawhero
SCHOOL

NAG 4

FINANCE &

PROPERTY

PROCEDURES



**Tawhero
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FINANCE COMMITTEE TERMS OF REFERENCE

Mauria te pono

GENERAL RESPONSIBILITIES:

1) The Finance Committee is responsible for:

- a) Advising the board on all financial matters relating to the effective financial operation of Te Kura o Te Wainui-ā-Rua, including assisting in the development of an effective school budget process, development of the annual school budget particularly those parts not directly related to the curriculum, and working with and advising the tumuaki on the day to day financial matters necessary to ensure effective, succinct and accurate financial reporting to the Board.
- b) Developing financial policy for approval by the Board
- c) Reviewing all financial policies.
- d) Preparing an annual and longer-term financial plan for the Board

AUTHORITY:

- The committee is accountable to the board, from whom it takes all directions.
- The committee is empowered to make policy recommendations and review policy but cannot itself make policy.
- The tumuaki is empowered to approve day-to-day payments within the budget and cash flow allocations



**Tawhero
SCHOOL**

MEMBERSHIP:

- The finance committee may include the tumuaki, the Board Chairperson, the Treasurer and other Board members with an interest in financial management.

MEETINGS:

- The Committee will meet as and when required by setting its next meeting date at each meeting and reporting that date to Board of Trustees

ACCOUNTABILITY:

- The committee will be accountable to the Board of Trustees who may question the committee on the Financial Report at each meeting.



**Tawhero
SCHOOL**

FINANCIAL MANAGEMENT PROCEDURE

Mauria te pono

AIM

- To outline effective procedures for kura financial and resource management.

PURPOSES

- To enable preparation of monthly financial reports for the Board of Trustees
- To enable the preparation of annual accounts for audit, in line with state sector accounting requirements.
- To ensure compliance with GST, ACC and other financial regulations.
- To ensure that funds are available for ongoing maintenance and planned developments.
- To provide the tumuaki with the financial resources to manage the kura effectively.
- To have a consistent and effective procedural approach to the ordering and purchasing of Goods and Services

GUIDELINES

Financial Services

The kura has contracted with Education Services Limited to provide full accounting, reporting and financial advisory services including preparation of annual accounts for audit.



**Tawhero
SCHOOL**

Budgeting

A draft budget will be prepared by the Tumuaki and delegated Board members/s prior to the beginning of the financial year, and presented to the Board of Trustees for approval as an unconfirmed budget. It is confirmed by the Board of Trustees at the beginning of each financial year after the first funding installment and then reconfirmed after the 1 March Roll Return.

The budget will be prepared using current and historical figures, an estimate of likely income and the planned priorities and objectives of the Board.

The budget will also ensure that provision is made for those areas for which special funding is allocated including special needs, targeted funding and areas designed to enhance the learning opportunities for students.

Income Management

- The kura has several bank accounts. One is a working account and the others are investment accounts.
- All kura income will pass through the working account. Based on kura commitments and priorities funds may be transferred to the investment account to take advantage of better interest rates. Both accounts are subject to audit.
- All money collected in the kura will be receipted and banked into the working account.
- All receipted money will be securely stored until banked.
- Cash will not be held in classrooms.
- Incoming cash will not be used for payments.
- Any cash received is to be checked first then verified by a second person and banked by another.
- All purchases must be requested using appropriate Purchase Order Request Form.



- All purchases are to be authorised by the tumuaki and verified against budget

Payments

- All payments are to be supported by a tax invoice or receipt.
- All invoices for all transactions are to be retained.
- Staff with budget responsibility must first verify receipt of goods before payment is made.
- Payments may be made by either cheque or internet banking.
- All payments are to be authorised by the tumuaki and the Board.
- All cheque and internet payments must be signed or authorised by any two of the designated signatories which include the tumuaki and designated Board members.
- There is petty cash of \$100.00 at the kura

Reimbursements

- Any reimbursements must be accompanied by receipts, dockets or travel details.
- Reimbursement of travel costs are at the rate designated in the relevant collective agreement.
- No cheque signatory may approve and/or sign their own claim for reimbursement.
- No salary advances are to be made from kura funds unless approved by the Board. Where any anomalies in staff salary or wages occur these are to be addressed through the payroll provider.

Kura Donations

- Kura donations are collected to supplement government funding and allow the kura to provide additional resources and support for students.
- The level of donation is to be set by the Board of Trustees



Tawhero SCHOOL

and parents are to be informed how this will enhance their children's learning opportunities.

- Receipts are to be issued for all donations received.
- Parents will be reminded each term that donations are due.

Fundraising

- Any fundraising venture must first have the permission of the tumuaki.
- Any communication with organisations outside the kura must also have tumuaki permission and any written communication should be on kura stationery.
- All funds raised are to pass through the kura accounting system and will be receipted and subsequently subject to audit.
- A specific account will be established in the kura accounting system for the fundraising activity/group.
- Any fundraising venture needs to take account that GST may be payable on those fundraising activities for which goods and services are chargeable. (Note fundraising activities where goods are donated would not be subject to GST.)

Stationery Sales

- A distinction is to be made for accounting purposes between stationery that is purchased for kura/Office use and stationery for sale.
- An annual stock take of stationery for sale is to be conducted and details provided for audit.
- Stationery from stock for sale and used by teachers will be charged to syndicate budget.

Reporting

- At each monthly meeting of the Board of Trustees a financial report summarising income and expenditure and



detailing any budget variances as well as a balance sheet is to be presented.

- All financial documentation is to be maintained to support smooth financial operating procedures and the annual audit process.
- All financial documentation required for audit and taxation purposes is to be retained for a period of 7 years after which time it will be destroyed.

Ordering and Purchasing of Goods & Services

- All orders and purchases of goods and services will be made by the office and confirmed by the tumuaki.
- The need for goods and/or services will be established by the staff and the tumuaki in line with the operating budget for the year, or in consultation with the Komiti Putea and / or the BOT.
- Written quotes will be obtained by the office and considered by the tumuaki.
- Goods and services will be ordered by the tumuaki, or the budget holder of specific areas of the curriculum, or Tari Kaiwhakahaere.
- On the arrival of goods or on the completion of services, the tumuaki and or the Tari Kaiwhakahaere will check that the goods and services are in line with the kura expectations. If a purchase order has been completed and goods/services are being charged to an account, the goods/services will be checked against the purchase order.
- The invoice will be checked against the goods/services received. The invoice will be signed by the tumuaki if the documentation of the goods/services is correct. A budget code will be added for payment purposes and forwarded to the Tari Kaiwhakahaere.
- The Tari Kaiwhakahaere will enter the details of the invoice on a Batch Header and forward to Education Services Limited. Copies of the Batch Header and the invoices will



Tawhero
SCHOOL

be kept on file in the office.

- The Education Services Limited will pay the creditor. If there are any queries about the invoice and payment details, the Education Services Limited Officer will contact the tumuaki and or the school Tari Kaiwhakahaere.
- The Education Services Limited Officer will record the purchase of any asset on the Asset Register. Asset serial numbers will also be recorded on the Asset Register.



Tawhero
SCHOOL

PECUNIARY INTEREST PROCEDURE

Mauria te pono

AIM

- To ensure that there is a transparent process in awarding contracts by Tawhero School of Trustees.

PURPOSE

- To provide protection for Board of Trustee members in cases where personal financial interests may be seen to conflict with kura interests.

GUIDELINES

- Any board member who may be seen to have a personal or family interest in any contract involving the kura is to abstain from voting on that contract.
- This is to apply where even if a Board member did not believe there was any personal interest but it was considered by any other Board member or member of the public that pecuniary interest might apply.



**Tawhero
SCHOOL**

FIX ASSETS AND DEPRECIATION PROCEDURE

Mauria te pono

AIM

- To ensure the value of fixed assets recorded in the Te Kura o Te Wainui-ā-Rua annual financial statements is materially correct and that the annual depreciation charge fairly represents the use of the assets over their lives.

PURPOSE

- To identify what are classed as assets and how they are valued
- To determine depreciation and disposal of assets

GUIDELINES

Definition

- Fixed assets are physical assets that are held by the kura for use in the production or supply of goods and services, for rental to others or for administrative purposes, and have been acquired or constructed with the intention of being used on a continuing basis.
- Fixed assets may also include items held for the maintenance or repair of other assets.
- Fixed assets are property, plant and equipment used by the kura for more than 12 months, over which the kura has control.
- Land and buildings that are owned by the Crown are occupied on the basis of a property occupancy agreement.



Cost (Valuation)

- Fixed assets transferred to the Board of Trustees on 1 October 1989 are recorded at valuation on that date and have since been depreciated.
- All other fixed assets are initially recorded at cost or, in the case of donated assets, initially recorded at their fair value at the date of receipt. Initial cost includes the purchase consideration, or fair value as the case may be, and those costs directly attributable to bringing the asset to the location and condition necessary for its intended use.
- Fixed assets are valued at historical cost and are not revalued. Subsequent expenditure that increases or extends an asset's service potential is capitalised.
- Where assets have been revalued in past periods the asset has been recorded at the last valuation.

Recognition

- Items of property, plant and equipment with an individual value in excess of \$300 are capitalised on purchase.
- Items with an individual value below \$300 are expensed with the exception of furniture and fittings that are purchased in quantity where the total value exceeds \$300 e.g. classroom sets of desks and chairs. This is to reflect their significant total value as a percentage of the total assets held by the kura.
- Textbooks, minor sports or teaching equipment, even when purchased in quantity, are recorded as a learning resource and not capitalised on purchase. This reflects the high usage and frequent curriculum changes that make text books obsolete or the need for regular replacement of other items and their overall low value when compared to the total fixed asset holding.

Depreciation



Tawhero SCHOOL

- Fixed assets are depreciated on a systematic basis. Fixed assets, except for library books, are depreciated so as to charge their cost or value over their estimated useful life on a straight-line basis.
- Estimated useful lives are :

Classroom Furniture 10 years
Office Furniture 10 years
Office Equipment 5 years
Other Equipment 5 years
Computers 5 years
Plant & machinery 5 years
Buildings 40 years
Leasehold Improvements 40 years
Playground Equipment/grounds improvements 5 years

- Library books are depreciated on diminishing value at 12.5% per annum
- Leased equipment is depreciated over the lease term. (When classified as a finance lease under SSAP- 18)



**Tawhero
SCHOOL**

Gain/Loss on Disposal

- When a fixed asset is disposed of, the gain or loss recognised in the Statement of Financial Performance is calculated as the difference between the sales price and the carrying amount of the fixed asset.
- When a fixed asset is written off, because it is now obsolete or beyond repair, the gain or loss recognised in the Statement of Financial Performance is the carrying amount of the fixed asset.

Review

- The useful life and method of depreciation of each category of fixed assets is reviewed annually.
- A physical stock-take of fixed assets is carried out at regular intervals to verify the physical existence and ensure that the true cost of fixed assets is reflected in the school's financial statements.



**Tawhero
SCHOOL**

CHEQUE ACCOUNT, INVESTMENTS & RESERVES PROCEDURE

Mauria te pono

AIM

Tawhero School will comply with its financial obligations to ensure safe practices for the management of school monies.

GUIDELINES

Investments / Deposit Accounts:

- The Board has an arrangement with the Education Services Limited to manage any surplus funds in the Kura account. Surplus funds will be invested in short-term (interest bearing) accounts.

Reserves:

The Board agrees to transfer specific fund of monies to stand along accounts. Stand alone accounts shall be operated to hold cash reserves for specific projects that are planned to cover more than one financial year.



**Tawhero
SCHOOL**

COLLECTION STORAGE OF MONEY PROCEDURE

Mauria te pono

AIM

- To ensure all monies are collected and stored in an efficient and accurate manner

GUIDELINES

1) All monies are received at the office at the beginning of the school day. If money arrives later in the day or when the office is closed, it should be sealed in an envelope and locked away in the secured filing cabinet.

2) Information accompanying all monies to the office must include:

- . a) The purpose for which the money is to be used
- . b) The Whanau name of the students who have brought the money
- . c) The amount of the money

All monies are stored in a locked filing cabinet. All monies received are receipted and recorded in the Cash Receipts Journal. Receipts are issued to all people who send money to school. Banking of all monies is carried out every Friday. Total monies received for the week is balanced with the total deposit banked. If there is a discrepancy, it is reported to the tumuaki as soon as possible.



PROPERTY MANAGEMENT PROCEDURE

Mauria te pono

AIM

To ensure that Tawhero School buildings and facilities provide a safe, healthy learning environment for students.

PURPOSE

- To comply with current asset management agreements
- To implement programmes of capital works, long term and preventative maintenance.
- To comply with legislation concerning occupational health and safety and with Health and Safety Code.

GUIDELINES

Budgeting

- The annual budget will provide for ongoing maintenance to existing plant, equipment and property.
- The capital works funding will be utilised in accordance with MOE property guidelines.

Planning and Reporting

- A 10 Year Property plan provides for long term maintenance and is updated annually.
- The 5 Year Property Plan provides for capital works projects.
- A programme of preventative maintenance is prepared and



reviewed annually.

- The Board will be provided with a report at its monthly meeting concerning maintenance of assets.

Health and Safety

- The kura will comply with all requirements for health and safety, including where appropriate, local body regulations.
- The kura will encourage safe practices and reduce hazards.
- Kura buildings and grounds will be regularly cleaned and maintained.

Vandalism

- Protection of kura property – buildings, grounds and equipment is a priority.
- Procedures will be in place to identify persons responsible for acts of vandalism and to take necessary follow up action with the person involved, the family or police.
- Restitution, disciplinary action or trespass notices are measures that may be taken.
- Board of Trustees will be kept informed of acts of vandalism.

Community Use of Kura Facilities

- Kura facilities are available for community use if not being used by the kura.
- tumuaki approval is required for use of kura facilities by the community.
- Charges for use of kura facilities are to be determined by the Board of Trustees and reviewed regularly based on maintenance and running costs.
- Users of the facilities are required to meet other kura policies where applicable.
- Board of Trustees to be kept informed of users of the facilities.



Tawhero
SCHOOL

Emergency Procedures

- Refer to Emergency Management Procedures under Health and Safety



**Tawhero
SCHOOL**

THEFT AND FRAUD PREVENTION PROCEDURE

Mauria te pono

AIM

- To protect the physical and financial resources of the Tawhero School

PURPOSE

- To prevent and detect theft and fraudulent actions by persons who are employed or contracted by the kura or who are service recipients of the kura.
- To conduct any investigation into any theft or fraudulent actions in a manner that conforms to the principles of natural justice and is procedurally just and fair.
- To establish systems and procedures to guard against the actions of theft and fraud.

GUIDELINES

1) The Board requires the tumuaki to implement the following preventative measures:

- a) The kura physical resources are kept secure and accounted for.
- b) The kura financial systems are designed to prevent and detect the occurrence of fraud.

All such systems must meet the requirements and standards set



out in the Public Finance Act 1989, Section 45C and of generally accepted accounting practice promulgated and supported by the Institute of

Chartered Accountants of New Zealand.

c) Staff members who are formally delegated responsibility for the custody of physical and financial resources by the tumuaki are proven competent to carry out such responsibilities and that such persons are held accountable for proper execution of their responsibilities.

d) All staff members are aware of their responsibility to immediately inform the tumuaki should they suspect or become aware of any improper or fraudulent actions by staff, suppliers, contractors, students or other persons associated with the kura. In the event of an allegation of theft or fraud the tumuaki shall act in accordance with the following procedures:

e) Decide to either immediately report the matter to the New Zealand Police or proceed as outlined in this paragraph.

f) So far as it is possible and within 24 hours:

i) Record the details of the allegation, the person or persons allegedly involved, and the quantity and / or value of the theft or fraud.

ii) Request a *written statement* from the person who has informed the tumuaki, with details as to the nature of the theft or fraud, the time and circumstances in which this occurred, and the quantity and / or value of the theft.

iii) Decide on the initial actions to be taken including consulting with the person who provided the information and, if appropriate, confidentially consulting



Tawhero SCHOOL

with other senior members of staff about the person who is the subject of the allegation.

iv) Inform the Board Chairperson of the information received and consult with them as appropriate.

g) On the basis of advice received and after consultation with the Board Chairperson, the tumuaki shall decide whether or not a *prima facie* case of theft or fraud exists, and if not, to document this decision and record that no further actions is to be taken.

h) The tumuaki shall then carry out the following procedures:

i) Investigate the matter further in terms of procedures as set out in sub paragraph (d); If a *prima facie* case is thought to exist to continue with their investigation;

ii) Invoke any disciplinary procedures contained in the contract of employment should the person be a staff member;

iii) Lay a complaint with the New Zealand Police;

iv) If necessary, commission an independent expert investigation;

v) In the case of fraud, require a search for written evidence of the possible fraudulent action to determine the likelihood or not of such evidence;

vi) Seek legal advice; or

vii) Inform the Manager, National Operations, Ministry of Education local office and/or kura auditors.

i) Once all available evidence is obtained the tumuaki shall consult the Board Chairperson. The Board Chairperson may, if they consider it necessary, seek legal or other



advice as to what further action should be taken.

j) If a case is considered to exist the tumuaki or a person designated by them shall, unless another course of action is more appropriate:

i) Inform the person in writing of the allegation that has been received and request a meeting with them at which their representative or representatives are invited to be present.

ii) Meet with the person who is the subject of the allegation of theft or fraud and their representatives to explain the complaint against them.

iii) Obtain a verbal or preferably a written response (all verbal responses must be recorded as minutes of that meeting, and the accuracy of those minutes should be attested by all persons present).

iv) Advise the person in writing of the processes to be involved from this point on.

- 2) The Board recognises that supposed or actual instances of theft or fraud can affect the rights and reputation of the person or persons implicated. All matters related to the case shall remain strictly confidential with all written information kept secure. Should any delegated staff member or any other staff member improperly disclose information the tumuaki shall consider if that person or persons are in breach of confidence and if further action is required. Any action the tumuaki considers must be in terms of the applicable conditions contained in the ir contract of employment and any code of ethics or code of responsibility by which the staff member is bound.
- 3) The Board affirms that any allegation of theft or fraud must be subject to due process, equity and fairness. Should a case be deemed to be answerable then the due process of



**Tawhero
SCHOOL**

the law shall apply to the person or persons implicated.

- . 4) Any intimation or written statement made on behalf of the kura and related to any instance of supposed or actual theft or fraud shall be made by the Board Chairperson who shall do so after consultation with the tumuaki and if considered appropriate after taking expert advice.
- . 5) Any allegation concerning the tumuaki should be made to the Board Chairperson. The Chairperson will then investigate in accordance with the requirements of paragraph 2 of this Policy.
- . 6) Any allegation concerning a member of the Board of Trustees should be made to the tumuaki. The tumuaki will then advise the manager of the local office of the Ministry of Education and commence an investigation in accordance with the requirements of paragraph 2 of this Policy.



**Tawhero
SCHOOL**

PROCEDURE FOR PERSONAL BELONGINGS AT KURA

Mauria te pono

AIM:

- To outline the schools perspective on personal belongings being brought to kura and highlight where the responsibility lies if things are lost or damaged.

GUIDELINES:

- 1) Personal belongings are not covered by the school's insurance policy. All non-essential items (e.g. toys, sports gear, and technology devices) are the responsibility of the student who brings them to kura.
- 2) Teachers and parents need to ensure that their private insurance covers any personal items taken to kura.
- 3) Teachers, staff and students using their own belongings in the classroom do so at their own risk.
- 4) When inappropriate use of personal property takes place, the staff need to use discretion to modify behaviour:
 - a) If the item does not belong to the student, it must be returned to the rightful owner.
 - b) Any items used in any inappropriate way are retained and held in the Tari until the end of the school day. The item is then returned to its owner.
 - c) Constant offenders are dealt with according to the Behaviour Management Policy.



**Tawhero
SCHOOL**

COLLECTION MANAGEMENT STATEMENT

Mauria te pono

RATIONALE:

Tawhero School library needs a wide range of high quality and up -to-date resources, in both te reo Māori and English that will support the learning areas of Te Marautanga o Aotearoa, NZC and to support the needs of users of various ages.

PURPOSE:

Resources are selected to:

- support and enrich the educational programmes of the kura
- develop and foster a love of reading
- support the development of information literacy skills
- support students' recreational needs and interests
- provide access to a wide variety of books and information sources in a range of formats and from a range of resources including on-line
- provide an awareness and knowledge of the cultural and historic heritage of New Zealand and other countries

GUIDELINES:

Responsibility for selection

- The Library Committee has overall responsibility for selecting and purchasing resources for the collection, in consultation with teaching staff and with input from students. Resources are purchased according to a buying



plan and budget based on an assessment of the collection.

Donations

- The library will accept donated resources that meet the selection criteria, and will withdraw them in the same way as other library resources.
- Donors should be made aware that in giving the material to the kura they relinquish ownership of the item/s.

Collection Maintenance

- Processing extends the life of resources and will be completed before resources are made available for use.
- Mending is a time consuming activity and will only be undertaken after consideration of the cost of time and materials versus usefulness of the resource and replacement cost.
- Weeding is an ongoing process of removing from the collection items that no longer meet the established selection criteria. Weeded material will be disposed of permanently. On going weeding of the collection is carried out by the library committee in consultation with teaching staff, inline with criteria in the *Collection Management: selection and weeding* information guide, located in our Procedures File.

Challenged resources

Where a complaint against a specific library resource cannot be resolved through informal discussion, the following steps will be taken:

- Tumuaki is notified and the item is made available to the tumuaki.
- Advice is sought from the National Library.
- The complainant will also be referred to the
- Collection Management Statement
- LIANZA Statement on Intellectual Freedom (Appendix II)
- ALA statement 'Free Access to Libraries for



**Tawhero
SCHOOL**

Minors' (Appendix III)

- The complainant may also request an Application for Reconsideration of Material. The form (Appendix I) will be completed and returned within one week. The tumuaki will make a prompt written response to this application. A record of the procedure will be filed along with copies of all written transactions.

Copyright

The kura will encourage library users to adhere to copyright law.

Reviewing the statement

The Collection Management Statement is evaluated and updated in accordance with changes in curriculum and changes in priorities within the kura.



**Tawhero
SCHOOL**

LOST PROPERTY PROCEDURE

Mauria te pono

AIM:

- To ensure every opportunity is provided for lost property to be returned to its rightful owner and manage unclaimed items.

GUIDELINES:

- 1) Lost property such as shoes and clothes will be collected and held in the Sick Bay/Ruma Hauora.
- 2) The Sick Bay is accessible to parents and students before 9am, during interval, lunchtime and after -school.
- 3) Lost property will be weekly for classes to view and claims to be made.
- 4) At the end of each term, or when the ipu kākahu is full, unclaimed clothing will be donated to charity.
- 5) Other items will be held at the office and notification given in kura pānui to enable the owner to claim it.



**Tawhero
SCHOOL**

SECURITY PROCEDURE

Mauria te pono

AIM:

- To ensure the security of kura and personal assets of staff that are located at the kura.

GUIDELINES:

- . 1) An after hours security system will operate, that will include regular patrol checks of the kura by a security company.
- . 2) Any security issues or concerns will be reported immediately to the tumuaki, or other designated person by way of a phone call.
- . 3) The tumuaki, or designated person, will approve whether or not a patrol vehicle shall be sent to the kura.
- . 4) Keys will be allocated to staff on appointment to the kura.
- . 5) Staff will operate individual security access codes to school buildings when entering and leaving the kura.
- . 6) An asset schedule will be reviewed annually.
- . 7) Security breaches during the normal operating hours will be immediately reported to the tumuaki or staff member in charge. A report of the breach will be completed by the staff member concerned.
- . 8) The tumuaki or staff member in charge will report the breach to the Police if necessary, or the chairperson of the Board of Trustees.
- . 9) The security of kura assets and personal assets being used for field trips will be the responsibility of the staff member



Tawhero
SCHOOL

in charge. This staff member will ensure that all students and whānau on the field trip are aware of their responsibilities to ensure the security of kura and personal assets.



**Tawhero
SCHOOL**

PROCEDURE FOR USE OF SCHOOL BUILDINGS & FACILITIES

Mauria te pono

AIM:

To ensure there are clear guidelines and procedures for the use of the school building and facilities.

PURPOSE:

As a state funded kura, it is accepted that the kura has a duty to co-operate with and facilitate access to, its facilities for the wider community use.

GUIDELINES:

- . 1) Sustained usage of facilities is by way of application to the Board of Trustees, who will decide on the merits of each application.
- . 2) Once access is granted, the applicants must liaise with the tumuaki who will negotiate access details.
- . 3) Successful applicants will be informed of the necessary security and vandalism matters that will need to be complied with in full, throughout the period of use.
- . 4) If the security policy is breached, and vandalism occurs during the time of use, the applicant's access will be cancelled. The applicant will meet the full costs incurred by the breach.