



Pukekohe North School

Princes Street, Pukekohe. Phone 0-9-238-8552

Cash Management Policy:

Purpose:

1. The Board accepts that it has a responsibility to protect the cash resources of the School. The Board has agreed on the fundamental principles of this Policy, and has delegated responsibility for the implementation and monitoring of this Policy to the Principal.
2. In the formulation and approval of this Policy the Board has had due regard to the accepted standards of sound financial management and applied these to the School.
3. The Board requires the Principal, as the chief executive and the Board's most senior employee, to implement and manage this Policy. The Principal may, from time to time, further delegate some of their responsibilities, and all such delegations must be attached as appendices to this policy.

Guidelines:

4. An Annual Budget will be prepared and presented to the BOT in November / December each year for their approval. The finalised Annual Budget will be formally accepted and minuted at the first BOT Meeting of the year.
5. The budget will reflect the operating needs of of the school, targets and actions as highlighted in the Annual Plan.
6. The Principal can authorise expenditure up to \$1,500.00 for any non-curriculum areas.
7. In June / July each year the Annual Budget will be reviewed in light of expected Ministry of Education funding and developing school priorities.
8. Annual Accounts will be completed for the year ending 31 December and presented for audit by the end of March of the following year.

Call Deposit Accounts

9. The Board agrees that one account shall be operated for Board general receipts and payments.
10. Authorisation sits with
 - the Board Chairperson
 - the Principal
 - Finance Secretary
11. At no time shall the account be operated in overdraft without permission from the bank and the Ministry if the overdraft exceeds the borrowing limits.
12. One at-call interest bearing deposit account shall be operated to hold cash resources not currently required for operating purposes. This account is operated by the Board, with any transactions to be agendaed, discussed and minuted by the Board prior to the expiry date of the investment.
13. Separate at-call deposit accounts shall also be operated for Fixed Asset Replacement and Cyclical Maintenance reserves as specified in the Board's expenditure priorities

Trust Fund Account

14. A separate bank account and call deposit account shall be used for the trusts funds held by the Board in trust for donor-specified purposes. The terms and conditions for the operation of these accounts shall be the same as for the general operating account referred to above.

Investments

15. Investments of School funds may only be made in accordance with the terms of Section 73 of the Education Act 1989.
16. Notwithstanding the requirements of Section 73, no investments may be made in equity stocks or in synthetic money market products (e.g. Forward Rate Agreements and Interest Rate Swaps).
17. Investments may only be made with the written authorisation of the Principal and the Board Chairperson.

Fundraising

18. .The Board will not enter into any Fundraising Contracts that contravene Section 73 of the Education Act 1989.

Cash Receipts

19. All cash and cheques received must be paid into the school office and properly receipted. This includes trading income, other local funds receipts and reimbursements for learning materials.
20. No cash received can be used to pay accounts in cash.
21. Only the Finance Officer / School Secretary and Principal may handle cash.
22. All receipts must be banked as soon as possible and preferably within one working day of receipt.
23. All cash and cheques kept on the premises must be kept securely in the server area of the administration office and under the control of the Finance Officer.

Accounts for Payment

24. All accounts for payment, other than expense reimbursements and attendance fees, must be supported by a copy of the:
 - *official school order form*
 - *the invoice, with certification by the orderer that each item has been received, prices and quantities are correct and the payee details are correct*
 - *the correctly completed cheque ready to be signed.*
25. No person can sign off two of the documents that comprise the voucher except the order and the invoice. The invoice must be certified by the person who authorises the expenditure.
26. Expense reimbursements must be certified by the manager of the individual being reimbursed, provided the certifier has delegated authority to sign. An expense claim should be supported by GST receipts or invoices. Claims for the use of private motor vehicle usage must be certified by the Principal or delegate to indicate that approval was given. Scale rates as per the award will be the basis of reimbursement per kilometre.

Accounting Records

27. The Principal shall arrange for proper accounting records to be maintained. The records must satisfy all requirements specified in Acts of Parliament, financial reporting standards and other applicable standards.
28. The financial system must be so organised by the Principal that the Principal and Chairperson can sign without hesitation the annual Statement of Financial Responsibility as required by Section 155 of the Crown Entities Act 2004.

Periodic and Annual Financial Statements

29. For each calendar month the Finance Officer and the Principal shall prepare financial reports showing:
 - Statement of Financial Performance, including comparison to budget
 - a summary Statement of Financial Position.
30. For each month the Finance Officer / Principal shall present a written summary report that describes:

- key (financial) achievements from the previous month
 - expectations for the month ahead and
 - significant matters and/or risks that must be addressed by the School.
31. Any recommendations made to the Board for the purchase of fixed assets, investments and other use of cash resources must refer to the impact on the School's present cash resources and projected cashflows for the next 12 months.

Approval

32. When the Board approved this Policy it agreed that no variations of this Policy or amendments to it can be made except with the unanimous approval of the Board.

Adopted by the Board of Trustees March 2020

Review Date: March 2023