

D4.1 Financial condition policy

Outcome statement

The school is financially viable and manages risks effectively.

Scoping

The financial viability of the school must be protected at all times, and every practicable effort is made to eliminate the risk of theft or fraud.

Delegations

The principal is required to ensure robust, clear procedures are in place to safeguard the integrity of financial management.

The financial subcommittee or, at the school board's discretion, the presiding member, is to approve principal's invoices and reconcile bank statements against expenditures.

Expectations and limitations

The principal must ensure:

- Unauthorised debt or liability is not incurred
- Generally accepted accounting practices or principles are not violated
- Tagged/committed funds are not used for purposes other than those approved
- More funds than have been allocated in the fiscal year are not spent without prior board approval
- All money owed to the school is collected in a timely manner
- Timely payment to staff and other creditors is made
- Unauthorised property is not sold or purchased
- All relevant government returns are completed on time
- No one person has complete authority over the school's financial transactions
- When making any purchase:
 - of over \$2500, comparative prices are sought
 - of over \$2500, an adequate review of ongoing costs, value and reliability is undertaken
 - of over \$1000 on a single item, board approval is first sought
- Effective systems are in place to meet the requirements of the payroll system

Procedures/supporting documentation

Sensitive Expenditure Procedure

Staff Reimbursements Procedure

Procedure For Offering Sponsorship

Attendance Dues And Other Income Procedure

Theft and Fraud Procedure

Financial Management Procedure

Monitoring

Principal's report and financial reports including sponsorship funds and donations paid to the school

Legislative compliance

Refer to the Ministry of Education website for information on managing school finances and the Financial Information for Schools Handbook ([FISH](#))