

# National Administration Guideline 4 [NAG 4]

## Finance and Facilities

Reviewed 21 June 2012

According to legislation on financial and property matters, each board of trustees is also required in particular to:

- (a) Allocate funds to reflect the college's priorities as stated in the charter;
- (b) Monitor and control school expenditure, and ensure that annual accounts are prepared and audited as required by the Public Finance Act 1989 and the Education Act 1989; and
- (c) Comply with the negotiated conditions of any current asset management agreement, and implement a maintenance programme to ensure that the school's buildings and facilities provide a safe, healthy learning environment for students.

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**4.0 GENERAL POLICY ON FINANCE AND FACILITIES MANAGEMENT**

**RATIONALE**

This policy covers the operations and responsibilities to comply with financial and property obligations designed to achieve the goals set in the college charter and strategic plan.

**PURPOSE**

- To ensure effective and efficient management of the college's financial resources.
- To ensure effective and efficient management of the college's property and other assets.

**GUIDELINES**

**The Board will ensure that:**

- The annual budget is prepared and approved, and reviewed periodically.
- The annual accounts are prepared, audited and filed with the Ministry of Education.
- The buildings and facilities are safe, clean and do not compromise the health of those using them

In carrying out these functions, the Board will;

- Comply with Legislation regarding finances, property management and health and safety.
- Declare and record any conflicts of interest

**The Board will:**

Appoint a Finance and Facilities Committee which will ensure procedures are in place for control of the following:

***Finance***

- College expenditure [cash management and credit card use]
- Delegation of authorities relating to financial expenditure
- Approval of funding for staff or student travel on college business
- Management of donations, grants and gifts made to the college
- Parent Association fund management
- Theft and fraud Prevention

***Facilities***

- Maintenance and repair of buildings and equipment
- Upgrading or replacement of obsolete or worn out buildings and equipment

**The Principal will:**

- Ensure that all expenditure by and for the college is documented
- Ensure that financial operating procedures are documented
- Ensure that Board Finance and Facilities policy and associated college procedures are fully implemented
- Monitor the budget and expenditure, and report any deviations from budget to the Finance and Facilities committee in a timely manner
- Operate within delegated authorities
- Where expenditure may be beneficial to an individual or group of individuals, to take account of the following prior to authorising this expenditure:
  - Does the expenditure benefit student outcomes?
  - Does the expenditure represent the best value for money?
  - Is it in the budget?
  - Could the board justify this expenditure to a taxpayer, parent or other interested party?
  - How would the public react if this expenditure was reported by the media?
  - Would there be perceived to be any personal gain from this expenditure?
  - Does this expenditure occur frequently?

**4.1 CASH MANAGEMENT**

**RATIONALE**

The Board accepts that it has a responsibility to protect the cash resources of the college. The Board has delegated responsibility for the implementation and monitoring of this to the Principal. The Principal may, from time to time, further delegate some of his responsibilities in accordance with the Schedule of Delegations, and may not exceed an individual's established level of delegated authority.

The Board has had due regard to the accepted standards of sound financial management and applied these to the college.

This Policy must be read in conjunction with other Board Policies, and the exercising of all authority and responsibilities conferred under this Policy must be in accordance with the Schedule of Delegations and may not exceed an individual's established level of delegated authority.

**PURPOSE**

- To ensure effective and efficient management of college money.

**GUIDELINES**

**Cheque and Call Deposit Accounts**

1. The Board agrees that one cheque account shall be operated for Board general receipts and payments. The only other cheque account permitted shall be for the college's trust funds account.
  - The signatories to this cheque account shall be any two as follows:
    - The Chairperson
    - The Principal
    - The Deputy Principal
    - Staff Representative on the Board.
2. Under no circumstances is a cheque signatory to sign a blank cheque.
3. All cheques, except those for petty cash reimbursement, must be issued as 'Not Transferable – Account Payee Only'.
4. At no time shall the cheque account be operated in overdraft without permission from the bank and the Ministry if the overdraft exceeds the borrowing limits.
5. Interest bearing deposit account shall be operated to hold cash resources not currently required for operating purposes. The accounts are only to be operated by the cheque signatories, with any transactions reported by the Principal at the next Finance meeting. All payments for operating expenses over \$10000.00 shall be authorized by the Chairperson and the Principal. All payments for fixed assets and long-term investments are to be authorized by the Board Chairperson and the Principal.
6. Separate at-call deposit accounts shall also be operated for Fixed Asset Replacement and Cyclical Maintenance reserves as specified in the Board's policies for these matters.

**Trust Fund Account**

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**

1. Investments of college funds may only be made in accordance with the terms of Section 73 of the Education Act 1989.
2. 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].
3. Investments may only be made with the written authorisation of the Principal and the Chairperson.

## **Fundraising**

1. The Board acknowledges that under Section 73 of the Education Act 1989 some professional fundraising contracts constitute an illegal fundraising contract. No such fundraising contract will be entered into by the college. If doubt exists about the legality of a proposed fundraising contract, the Principal will contact the regional Financial Adviser of the Ministry of Education for advice.

## **Targeted Funding** e.g. Star and Gateway

All monies received and expended must be account for and accurate records kept.  
Expenditure delegations as listed in section 4.13 Schedule of Delegations must apply.  
All monies must be used for its intended purpose.  
All income and expenditure must be transacted through the College's bank account.

## **Cash Receipts**

1. All cash and cheques received must be paid into the college office and properly receipted. This includes trading income, other local funds receipts and reimbursements for learning materials.
2. No cash received can be used to pay accounts in cash.
3. Only delegated staff may handle cash.
4. All receipts must be banked as soon as possible and preferably within one working day of receipt.
5. All cash and cheques kept on the premises must be kept secure and under the control of a delegated person.

## **Petty Cash**

1. A petty cash fund of no more than \$50 shall be held.
2. Reimbursement claims from the petty cash fund shall not exceed \$20 and must be accompanied by a receipt and approved petty cash voucher.
3. Petty cash advances will only be made for amounts up to \$20. They must have an approved petty cash voucher. A receipt for the actual expense with any unspent cash must be provided within 2 working days of the advance.

## **Accounts for Payment**

1. All accounts for payment, other than expense reimbursements and attendance fees, must be supported by a copy of the:
  - official college 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 voucher ready to be signed.
2. 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.

3. 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. In situations where the claimant for reimbursement of expenses and the certifier are in a close personal relationship the Principal or the Chairperson (the next level of authorisation) must approve the reimbursement.

### **Accounting Records**

1. 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.
2. 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**

1. For each calendar month the Principal shall ensure that financial reports are prepared, showing:
  - Statement of Financial Performance, including comparison to budget; and
  - a summary Statement of Financial Position; and
  - a summary Statement of Cashflow
2. For each month the 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 college.
3. This report shall be presented to the Finance Committee following the end of the month, and tabled at the next meeting of the Board.
4. 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 college's present cash resources and projected cash flows for the next 12 months.

**4.2 ASSET & PROPERTY MANAGEMENT**

**RATIONALE**

The buildings and physical condition of Kuranui College contribute to creating a positive learning environment. Buildings and equipment should be well maintained, clean and safe.

The Board accepts that it has a responsibility to protect the assets of the School. The Board has agreed on the fundamental principles of this procedure, and has delegated responsibility for the implementation and monitoring of this procedure to the Principal.

In the formulation and approval of this procedure the Board has had due regard to the accepted standards of sound asset management and applied these to the college. The Board requires the Principal, the Board's most senior employee, to implement and manage this procedure. The Principal may, from time to time, further delegate some of their responsibilities, and all such delegations must be attached as appendices to this procedure.

This procedure must be read in conjunction with other Board procedures, and the exercising of all authority and responsibilities conferred under this procedure must be in accordance with the Schedule of Delegations and may not exceed an individual's established level of delegated authority.

**GUIDELINES**

1. The college will have a ten year maintenance plan and within financial constraints implement it through the budget cycle. The plan should be reviewed and updated annually.
2. The five and ten year property plans will also set out future developments of the buildings grounds and facilities. It should also clearly identify new capital works building/facilities, and refurbishment of existing buildings / facilities. The plan should show clear links with:
  - Ministry of Education grants
  - College fundraising
  - Teaching and Learning requirements
  - The college strategic plan and annual plan
3. The Board of Trustee Finance and Facility Committee will be responsible for this procedure with the assistance of the Property Manager, the Principal and the college architect /consultant.
4. A programme of long term maintenance will be reviewed and updated regularly.

**Board of Trustee Members and Pecuniary Interest**

1. All projects previously budgeted for over \$10,000 will be tendered and at least three quotations sought. All projects previously budgeted for under \$10,000 will be implemented at the discretion of the principal.
2. Where a Board of Trustee member is involved in tendering or being asked to complete a job, the Secretary for Education's approval must be gained by the board if the value of the work concerned is likely to exceed \$25,000 or any other figure determined by the Secretary of Education [see Section 103A of the Education Act].
3. Board of Trustee members must absent themselves from meetings where they have a pecuniary interest.
4. Board of Trustee members involved in tendering must declare a pecuniary interest in any Board of Trustee or Property Committee discussion which pertains to selecting a builder to complete a project.
5. Work awarded to Board of Trustee members should always be for reasons of price, efficiency and availability.

## **Acquisition of Assets (Buildings & Equipment)**

1. The Board agrees to review the asset management plan annually and agree a budget for annual asset acquisitions.
2. The principal shall have delegated authority to purchase assets within the annual asset acquisition budget, following good procurement processes, provided that the value of any individual asset is no more than \$5,000.
3. The decision to purchase any asset with a cost of over \$5,000 must be made by the Board, not the principal alone.
4. The Board shall consider the most cost efficient acquisition method for each new assets acquisition decision i.e. whether to buy or lease, and whether to acquire by operating or finance lease.
5. The Board shall follow good procurement processes for the acquisition of assets over \$5,000. This may include placing a notice on the Government Electronic Tendering System (GETS) for acquiring assets with a combined value over \$50,000; obtaining several quotes to compare value for money; and managing any potential conflicts of interest appropriately.

## **Information Technology Assets**

1. All information technology assets, such as computers and laptops and associated software, must be compatible with the standard operating platform used within the school.
2. The Board aims to provide and maintain a suite of IT assets that provides the best possible learning tools for students, within budget constraints, including a replacement programme that matches the expected useful life of each asset.
3. Requests for additional and replacement equipment valued over \$500.00 is to be included in the budgeting process at the end of each year for service in the following year.

## **Expected Useful Lives**

1. The Board agrees on the expected useful lives of the following types of assets:

Buildings – college	18-40 years
Building improvements – Crown	10–20 years
Furniture and equipment	10–15 years
Information and communication technology	4 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets	4 years
Library resources	8 years

## **Maintenance of Assets**

1. The principal shall have delegated authority to maintain the school's assets in good working order, within the approved budget.

## **Asset Records**

1. A fixed asset register for all assets with a cost of \$1,000 or more shall be recorded in the fixed asset register.
2. Assets that cost less than \$1,000 and greater than \$500 shall be recorded in a register of valuable assets.
3. A review of assets against the fixed asset and valuable asset registers shall be undertaken at least once a year.

## **Disposal of Assets**

1. The principal shall have delegated authority to dispose of any asset that has reached the end of its useful life (as recorded in the fixed asset or valuable asset registers), provided the original cost of that asset was less than \$5,000. The principal shall report to the board about reasons for disposal, disposal process and any net disposal proceeds prior to disposal.
2. The Board shall approve the disposal of any asset that had an original cost of over \$5,000, including the reasons for disposal, disposal process and use of any disposal proceeds.

**4.3 FUNDRAISING**

**RATIONALE**

Fundraising is an integral component of college income and must be managed professionally .

**PURPOSE**

- To ensure that fundraising is coordinated in a professional manner in line with the planned strategic development of the college, and to stipulate the accountabilities of those involved in all college fundraising.

**GUIDELINES**

1. The term “Fundraising” covers all activities raising money for the college outside of general MOE funding and specific targeted funds from other official bodies.
2. All fundraising will be coordinated through a Fundraising Coordinator appointed by the Board
3. Fundraising Coordinator would typically include:
  - Research and explore opportunities to generate external revenue for the College through sponsorship, partnerships and alliances with other parties.
  - Serve as single point for contact for all fundraising activities
  - Create a portfolio and develop a fundraising business plan
  - Agree objectives and targets for current financial year.
  - Work within agreed budgets.
  - Submit monthly reports and meet to discuss progress with the Board of Trustee’s representatives.
  - Other Business Projects & Analysis Work agreed to by the Board
4. The Fundraising Coordinator role will be for a current financial year and be reviewed annually by the board as to it’s ongoing relevance.
5. The Principal will work with the Fundraising Coordinator to create and implement systems and processes to achieve the agreed outcomes.

**4.4 THEFT AND FRAUD PREVENTION**

**RATIONALE**

The Board accepts that it has a responsibility to protect the physical and financial resources of the college. The Board has agreed that through the Principal, the college has a responsibility to prevent and detect theft and fraudulent actions by persons who are employed or contracted by the college or who are service recipients of the college. The Board accepts that any investigation into any theft or fraudulent actions will be conducted in a manner that conforms to the principles of natural justice and is procedurally just and fair.

The Board, therefore, requires the Principal to establish systems and procedures to guard against the actions of theft and fraud. The Principal is to report such actions to the Board Chairperson as prescribed in the procedures set out below.

**GUIDELINES**

1. As preventative measures against theft and fraud the Board requires the Principal to ensure that:
  - a) The college's physical resources are kept secure and accounted for.
  - b) The college's financial systems are designed to prevent and detect the occurrence of fraud. All such systems must meet the requirements and standards as set out in the Section 155 of the Crown Entities Act 2004 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 Principal are proven competent to carry out such responsibilities and that such persons are held accountable for the proper execution of their responsibilities.
  - d) All staff members are aware of their responsibility to immediately inform the Principal should they suspect or become aware of any improper or fraudulent actions by staff, suppliers, contractors, students or other persons associated with the college.
2. In the event of an allegation of theft or fraud the Principal shall act in accordance with the following procedures:
  - a) Decide to either immediately report the matter to the New Zealand Police or proceed as outlined in this paragraph.
  - b) 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 Principal, 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 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.
  - c) On the basis of advice received and after consultation with the Board Chairperson, the Principal 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 action is to be taken.

- d) The Principal shall then carry out the following procedures:
  - i) Investigate the matter further in terms of procedures as set out in sub-paragraph (d);
  - ii) If a *prima facie* case is thought to exist to continue with their investigation;
  - iii) Invoke any disciplinary procedures contained in the contract of employment should the person be a staff member;
  - iv) Lay a complaint with the New Zealand Police;
  - v) If necessary, commission an independent expert investigation;
  - vi) 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;
  - vii) Seek legal advice; or
  - viii) Inform the Manager, National Operations, Ministry of Education local office and/or the college's auditors.
  
- e) Once all available evidence is obtained the Principal 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.
  
- f) If a case is considered to exist the Principal 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.
  
3. 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 Principal shall consider if that person or persons are in breach of confidence and if further action is required. Any action the Principal considers must be in terms of the applicable conditions contained in their contract of employment and any code of ethics or code of responsibility by which the staff member is bound.
  
4. 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 the law shall apply to the person or persons implicated.
  
5. Any intimation or written statement made on behalf of the college 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 Principal and if considered appropriate after taking expert advice.

### **Allegations Concerning the Principal or a Trustee**

1. Any allegation concerning the Principal should be made to the Board Chairperson. The Chairperson will then investigate in accordance with the requirements of paragraph 4 of this Policy.
  
2. Any allegation concerning a member of the Board of Trustees should be made to the Principal. The Principal 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 4 of this Policy.

**4.5 CREDIT CARD**

**RATIONALE**

The Board agrees that it has a responsibility to ensure that credit card expenditure incurred by the college must clearly be linked to the business of the college. The Board has delegated responsibility for the implementation and monitoring of this Procedure to the Principal. The Principal may, from time to time, further delegate some of their responsibilities, in accordance with the Schedule of Delegations and may not exceed an individual's established level of delegated authority.

**PURPOSE**

To ensure that the college credit cards are operated effectively and credit card expenditure is monitored and authorised carefully.

**Process for Issue of Credit Cards**

1. Credit cards should only be issued to staff members after being authorised by the Board.
2. A register of cardholders should be maintained.
3. The limits set for credit card use should not exceed the overall financial delegation of the cardholder, as set out in the Schedule of Delegations. Any variations require Board approval.
4. Prior to the card being issued, the recipient must be given a copy of this procedure and be required to sign it off to signify that they have read and understood it.

**Procedures to be Followed when Using the Card**

1. The credit card is not to be used for any personal expenditure.
2. The credit card will only be used for:
  - payment of actual and reasonable travel, accommodation and meal expenses incurred on college business; or
  - purchase of goods where prior authorisation from the Board is given.
3. All expenditure charged to the credit card should be supported by:
  - A credit card slip;
  - A detailed invoice or receipt to confirm that the expenses are properly incurred on college business;
  - For expenditure incurred in New Zealand of value greater than \$50 [including GST] there should also be a GST invoice to support the GST input credit.
4. The credit card statement should be certified by the cardholder as evidence of the validity of expenditure.
5. Authorisation for the expenditure should be obtained on a one-up basis, for example the Principal should authorise any travel by the Deputy Principal and the Board should authorise any travel by the Principal. Cardholders are not allowed to approve their own expenditure.
6. All purchases should be accounted for within 5 working days of receiving a credit card statement.

## **Cash Advances**

1. Cash advances are not permitted except in an emergency.
2. Where cash advances are taken, the cardholder must provide a full reconciliation, with receipts wherever possible, of how the cash was used. Any unspent monies must be returned to the college.

## **Discretionary Benefits**

Any benefits of the credit card such as a membership awards programme are only to be used for the benefit of the college. They should not be redeemed for personal use.

## **Cardholder Responsibilities**

1. The cardholder should never allow another person to use the card.
2. The cardholder must protect the pin number of the card.
3. The cardholder must only purchase within the credit limit applicable to the card.
4. The cardholder must notify the credit card company and the college immediately if the card is lost or stolen.
5. The credit card should not be used on the internet without prior Board approval.
6. The cardholder must return the credit card to the college upon ceasing employment there or at any time upon request by the Board.

## **4.6 TRAVEL**

### **RATIONALE**

The Board agrees that it has a responsibility to ensure that travel expenditure incurred by the college must clearly be linked to the business of the college. The Board has delegated responsibility for the implementation and monitoring of this procedure to the Principal. The Principal may, from time to time, further delegate some of their responsibilities, in accordance with the Schedule of Delegations and may not exceed an individual's established level of delegated authority.

### **GUIDELINES**

The Board agrees to ensure that:

- the travel expenditure is on the Board's business, and the college obtains an acceptable benefit from the travel when considered against the cost;
- expenses are reimbursed on an actual and reasonable basis; and
- staff that are required to travel on business do not suffer any negative financial effect.

### **Process for Making Travel Arrangements**

1. Under no circumstances may any staff member approve their own travel.
2. All booking for international and domestic travel is to be conducted through the college's normal purchase procedures. This includes the booking of accommodation, flights and rental cars.

### **Travel within New Zealand**

1. The justification for travel within New Zealand must be documented. It is to be transparent and must relate to a college need. Travel within New Zealand is to be authorised on a one-up basis [for example the Principal should authorise any travel by the Deputy Principal and the Board should authorise any travel by the Principal].
2. All domestic air travel is to be economy class.

### **International Travel**

1. Prior to international travel being undertaken, the traveller must be given a copy of this procedure and be required to sign it off to signify that they have read and understood it.
2. All international travel should be authorised by the Board before it is commenced. A proposal must be put to the Board detailing the purpose of the trip, the expected benefit to the Board which will arise from the trip and an estimate of the costs of the trip. The Board will approve the travel in writing.
3. At the end of the trip overseas, the traveller must prepare a trip report, which details the costs incurred during the trip, activities which took place during the trip and the benefits to the Board and the college of the trip.
4. All international air travel is to be economy class.
5. If a staff member has a travel time without a stopover in excess of 20 hours, a rest period of 24 hours before commencing work is permitted.

## **Accommodation**

1. Staff should opt for good but not superior accommodation and must be prepared to justify exceptions to this rule to the Board.
2. Staff who stay privately will be reimbursed on production of receipts, for koha or for the cost of a gift given to the people they have stayed with. Prior to travel the staff member should receive authorisation for the value of the intended koha / gift.

## **Vehicles**

1. When using rental cars, staff should opt for good but not superior model vehicles and should be prepared to justify any exceptions to this rule to the Board.
2. Use of private vehicles is to be approved on a one-up basis and reimbursement will be at the rate specified by the Inland Revenue Department.
3. If taxis are used, then staff should pay for the taxis out of their own pocket, obtain a receipt and seek reimbursement through petty cash or as part of an expense claim.

## **Reimbursement of Expenses**

1. The reimbursement for business related travel expenses is on the basis of actual and reasonable costs. Actual and reasonable expenditure is defined as “the actual cost incurred in the particular circumstance, provided that it is a reasonable minimum charge”.
2. For travel within New Zealand, actual and reasonable expenses are those incurred above the normal day to day costs. For example, a staff member would normally incur personal expenditure for lunch on a daily basis and the cost of lunch when travelling should not be reimbursed unless the costs are greater than that normally incurred.
3. All personal expenditure is to be met by the staff member. Examples of this are mini bar purchases, in house movies, laundry and private phone call charges are to be paid separately by the travelling staff member.
4. All receipts must be retained and attached to the travel claim. The claim is to be authorised by the budget holder. In situations where the budget holder is the claimant then the next level of authorisation must approve.
5. For expenditure incurred in New Zealand of value greater than \$50 [including GST] there should also be a GST invoice to ensure that GST can be reclaimed by the college.
6. Authorisation can still be given for expenditure less than \$50 where there is no receipt, for example if it is not practical to obtain a receipt or if the receipt is lost. The expenditure can be reimbursed provided there is no doubt about its nature or the reasons for it.
7. In situations where the claimant for reimbursement of expenses and the certifier are in a close personal relationship the Principal or the Chairperson (the next level of authorisation) must approve the reimbursement.

## **Discretionary Travel Benefits**

1. Travel benefits, including air points and loyalty scheme rewards / points [Flybuys, Global, etc], accrued from official travel are only to be used for subsequent travel on behalf of the college. They should not be redeemed for personal use.
2. Staff must travel by the most direct route unless scheduling dictates otherwise.
3. The college will not meet expenses incurred on behalf of a spouse or travelling companion. In the event of a person travelling with an employee, a reconciliation of expenses should clearly demonstrate that the college did in no way incur additional expenditure.

**4.7 DONATIONS AND GIFTS**

**RATIONALE**

The Board of Trustees acknowledges and supports the need to seek and receive donations [gifts] to support the college's activities and strategic objectives. Donations are received from specific fundraising activities, and by donors giving spontaneously to the college. The Board accepts its responsibility to ensure that donations are requested appropriately e.g. in accordance with Ministry of Education Guidelines, and used for the purposes requested or given. Donations are received by the college, and other organisations associated with the college, to support the activities of the college now and in the future.

**PURPOSE**

- To ensure all donations are appropriately requested.
- To ensure all donations are used for the purpose for which they are given.

**Definitions**

'Donation' or 'gift' means any monetary or non-monetary financial instrument or 'in-kind' offer or promise or pledge, whether payable immediately, or at some time in the future. Typically donations or gifts are in the form of monetary payments, but may also include shares, interest free loans, bonds, real property, life insurance, memorabilia, paintings or in-kind products or services, e.g. printing, furniture, or time.

**GUIDELINES**

1. The college may request donations from parents and caregivers to support a range of activities for students and staff. The request is to be made by the Principal [or other representatives as authorised by the Principal], in accordance with the activities and monetary amounts approved by the Board of Trustees.
2. The college may seek donations for specific activities and projects, with the approval of the Board of Trustees. The request for donations will generally be by the Principal or other approved representative[s].
3. Where, in the view of the Board of Trustees, acceptance of a donation, bequest or other gift may be contrary to the policies, ethos or reputation of the college, the Board may decline to accept such a donation, or, if a donation has been received, may require that it be returned to the donor.
4. It is the responsibility of the Board of Trustees, and the staff of the college to ensure donations received are used for the purpose for which they were requested and/or received.
5. The Board of Trustees will ensure the confidentiality and privacy of donors, and only publicly announce details of a donation, with the approval of the donor. While amounts given will normally be confidential, depending on the form and terms and conditions of the fundraising campaign, donors may be publicly recognised as 'named' donors, or may request complete anonymity.
6. Notwithstanding [4] above, unless otherwise agreed in writing between the college and donor at the time a donation or gift is made, all donations or gifts are deemed to become the property of the college, to be used, applied or disposed of as may be agreed by the Board of Trustees. Where a donation is made for a specific purpose, reasonable efforts to identify and communicate with the donor to discuss changes in the application of the donation or gift are to be made before the donation or gift is applied to another purpose.

7. Organisations associated with the college may fundraise to provide funds to support the college. Affiliated organisations include: Kuranui College Parents Association. Kuranui College Reunion Committee and other groups operating under the college.

While the Board of Trustees cannot be held responsible for fundraising undertaken by groups that are set up as independent organisations, it is acknowledged that such groups' activities have the potential to impact negatively [and positively] on the college's reputation. The Board of Trustees and Senior Management of the college should endeavour to ensure these organisations associated with the college adopt a similar Donations and Gifts Policy.

**4.8 PERSONAL PROPERTY**

**RATIONALE**

Both students and staff bring personal belongings to the college which from time to time will be lost, stolen or broken.

**PURPOSE**

- To clarify the college's responsibility in regard to the personal property of staff and students at the college and / or on college activities.

**GUIDELINES**

1. The college will not replace the personal belongings of staff or students if lost or stolen whilst at the college or on college business.
2. The college insurers will not insure the personal belongings of staff or students. Staff and students are responsible for insuring their personal property.
3. College staff will investigate the theft of personal items belonging to staff and students [except for student cell phones].
4. Students are advised not to bring expensive personal items or large amounts of money to the college. If money must be brought the college will provide secure storage at the office.
5. A storage room is provided for students belongings. Items are left in this room at the owner's risk.
6. Staff are advised to leave valuable items in secure storage in the college staffroom not in their classrooms.

**4.9 COLLEGE HOUSES**

**RATIONALE**

The college owns rental houses which the Board of Trustees retains as an inducement for recruitment and retention of teaching staff.

The college will maintain all of the houses in good order and act in accordance with the Tenancy Act 1986 and the Tenancies Amendment Act 2010.

**PURPOSE**

- To clarify the procedures and protocols pertaining to the renting and operating of the college houses

**GUIDELINES**

1. The college will make an annual inspection of each house. Tenants will be given the required notice.
2. Teachers will be given priority as tenants over members of the public.
3. Rents will be reviewed annually to match market rates. The weekly rent for the teacher tenants is set by the Ministry of Education.
4. The college will abide by the requirements of the Tenancy Act 1986 and the Tenancies Amendment Act 2010 and undertake maintenance as required.
5. The Finance and Facilities sub committee of the Board of Trustees will develop a long term maintenance plan for all of its houses.
6. The rental income and expenditure will be reported in the monthly accounts to clearly show the profit or loss of this activity
7. The Board of Trustees will review annually the rationale for owning rental properties to ensure this activity continues to be in the college's best interests

**4.10 USE OF THE COLLEGE VEHICLES**

**RATIONALE**

The Board of Trustees accepts that the college's staff or nominated adults will from time to time be required to drive college vehicles.

The responsibilities of the driver need to be clearly stated.

**PURPOSE**

- To stipulate:
  - The responsibilities of drivers of college vehicles
  - The costs of the use of the vehicles.

**GUIDELINES**

1. All drivers of the college's vans must be a fully licenced New Zealand driver.
2. A photocopy of the driver's licence must be placed on file with the front office of the college before they drive a vehicle.
3. In the event of damage being caused to a vehicle the college will pay the insurance excess.
4. The driver must ensure that they comply with the vehicle's loading capacity regulations.
5. Traffic offences incurred during a college trip will be the responsibility of the driver.
6. The college has full insurance cover for damage to persons or property incurred as a result of an accident involving college vehicles.
7. When vehicles are hired by persons or groups from outside of the college they will be liable for the insurance excess in the event of accidental damage.
8. The use of vehicles will be charged out at a per kilometre rate. This rate will be reviewed annually.
9. All users are responsible for returning vehicles in a clean and tidy state and they must report any fault or damage to the college.
10. Vehicle hire charge rates are to be reviewed annually and approved by the BOT Finance & Facilities Committee.

**4.11 ACTIVITIES AND ENTERPRISES**

**RATIONALE**

The College has activities and enterprises that generate income and costs specific to those activities and enterprises e.g. Uniform Shop, Outdoor Education Academy. The Board of Trustees needs to know that the financial performance of these activities and enterprises is meeting the agreed business plan.

**PURPOSE**

- To stipulate the financial responsibilities and reporting requirements for activities and enterprises.

**GUIDELINES**

**1. Activities and enterprises are defined as...**

2. New activities will require a business plan demonstrating the value to the college, and will be approved by the BOT before implementing.
3. Each activity will have an annual budget prepared by the person responsible for that activity
4. The financial results for each will be reported monthly, showing income, expenditure

**4.12 BUDGETING AND FORECASTING**

**RATIONALE**

To monitor and control college expenditure, and to prioritise use of college funds requires a structured approach to budgets and forecasting

**PURPOSE**

- To stipulate the timeline and accountabilities for preparing and approving annual budgets, and for quarterly reforecasting of the budget.

**GUIDELINES**

1. The budget for a financial year will be approved by the Board by the end of November of the previous year.
2. The Principal is accountable for ensuring all budget holders have provided an approved budget with enough time to compile the full college budget and submit to the Board by the November BOT meeting.
3. The Principal is accountable (through his delegated financial advisor) for providing a regular reforecast of the budget. The timing of the reforecast will be linked to the MOE funding reforecasts.

**4.13 SCHEDULE OF DELEGATIONS**

**RATIONALE**

1. This Schedule sets out those responsibilities that can only be exercised by the Board, the responsibilities delegated to the Principal, and those responsibilities that the Principal can delegate to specified staff positions.
2. The purpose of the Schedule is to ensure that the effectiveness of the governance and management of the College is maintained, to provide an agreed basis by which the College's executive management can exercise its responsibilities, and to enable the responsibilities delegated to be monitored. It is the Board's expectation that delegations made will be properly exercised and the persons who hold such delegations will be held accountable. If these principles are observed then the Board can be certain its responsibilities in terms of the Education Act 1989, the Crown Entities Act 2004 and the Financial Reporting Act 1993 will have been properly fulfilled.
3. If persons who exercise responsibilities on behalf of the Board have any doubts or concerns in the execution of a specific action the expectation is that they will check with the person or group who made the delegation in the first place. The intention of this expectation is that should doubt arise in the exercise of a delegated responsibility it is preferable to verify the bona fides of the intended action rather than make an error of judgement and be held accountable for this.
4. This Schedule does not in itself provide the right to executive management and staff to exercise the responsibilities delegated. The right to exercise these responsibilities must be set out in a Memorandum of Delegations which sets out the delegations and is signed by the parties involved. An outline example is set out at the end of this Schedule.
5. The Principal shall ensure that a copy of each memorandum is safely retained and shall be made available to the Board, the College's auditors and officers of any Court hearing a case related to the College's finances.

**Delegations Retained by the Board**

1. The Board retains for itself and does not delegate to any executive management or staff position the following responsibilities:
  - a. Approval of all operating, capital, cashflow and property maintenance budgets and amendments to these budgets;
  - b. Commitment of operating expenditure for any invoice in excess of \$2,500;
  - c. The commitment or purchase of capital expenditure;
  - d. The disposal of fixed assets with a cost price in excess of \$1,000;
  - e. The transfer of money out of college accounts or investments for a period longer than 12 months;
  - f. The appointment of any permanent staff and the salary and terms of conditions on which they are employed which are in excess of positions funded by Ministry of Education salaries grants;
  - g. Leave on full pay granted to teaching and non-teaching staff to attend training sessions or courses outside the college for a period greater than 3 days; Note the impact on staffing must be considered when leave is granted.
  - h. The termination of employment of any permanent employee;
  - i. Signing applications for special grants for additional buildings, agreements to build via the Ministry of Education's local office;
  - j. Formal communication and agreements with the Minister of Education and any other Minister of the Crown or Member of Parliament;
  - k. Responses to the Secretary of Education or any other permanent head of a Government department which was initiated by a report, written communication, request for information or required declaration received from such persons and addressed to the Board or Board Chairperson;
  - l. The initiation of any legal actions and any communications in relation to these actions;

- m. Signature of any formal or legal agreement which is in the name of the college and must involve the Board.

*Note: These responsibilities are in addition to those specified in Acts and regulations by which the Board is bound.*

**Board Delegations to the Principal**

- 2. The Board delegates to the Principal the responsibilities listed below:
  - a. The day-to-day curriculum and resource management of the College and the achievement of the Government’s key achievement areas and requirements as specified in official educational policy documents;
  - b. The implementation of any other requirements specified by Act of Parliament, the Secretary of Education, any other permanent head of a Government department and for individual and collective employment contracts;
  - c. Approval of any orders for goods and services up to the value of \$2,500 and provided such an order will not exceed the Board approved budget allocation for the expenditure item involved;
  - d. Transfers to at-call deposits for periods less than 12 months;
  - e. Ordering fixed assets for which the capital expenditure has the prior approval of the Board;
  - f. The appointment and termination of relieving, fixed term (up to 12 months) and casual staff, provided such appointment is within the budget allocation for this particular person and provided this delegation is not given to any other staff member;
  - g. Communication with parents, officials, representatives of educational organisations and other firms and organisations with whom the Principal deals as part of their curriculum and resource management responsibilities.
  - h. Interviews with the media and the distribution of media releases on any matter which involves the college;
  - i. Delegation in writing to specified staff positions of responsibilities according to the format set out below.

*Notes:*

These responsibilities complement those responsibilities and achievements specified in the Principal's annual performance agreement with the Board.

During any absence of the Principal from the College for more than 5 days these delegations shall be exercised by the Acting Principal with the separate and prior approval of the Board Chairperson. In such an absence the Acting Principal shall sign a copy of this Schedule.

**Principal’s Delegations to Specified Positions**

With the Board’s delegation to me as Principal and with the Board’s approval for me to delegate to a specified staff position I delegate to the position of (name of position as listed below) the following responsibilities:

- 1. Approval of any orders for goods and services up to the value of \$500 and provided such an order will not exceed the Board approved budget allocation for (name of budget item or sub-budget item);
- 2. [List here any other responsibility within the Principal’s delegation.]
- 3. Delegations
 

Principal	\$10,000.00 Approved
	\$2,500 Non approved
Deputy Principal	\$500.00
Heads of Department	\$500.00
Other Budget Holders	\$500