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| BHBI School | Procedure |
| CASH MANAGEMENT | NAG 4 |

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 school's trust funds account.
2. The signatories to this cheque account shall be as follows:
 - the Board Chairperson
 - the Principal
 - the Associate Principal
 - either of the Deputy Principals (but not both) and
 - one other parent representative Board member.
3. Any cheques for operating expenses over the value of \$5000 must be signed by at least one Board member and the Principal. All cheques for fixed assets and long-term investments are to be signed by the Board Chairperson and the Principal.
4. Under no circumstances is a cheque signatory to sign a blank cheque.
5. 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.
6. At-call interest bearing deposit accounts shall be operated to hold cash resources not currently required for operating purposes.

Investments

7. Investments of School funds may only be made in accordance with the terms of Section 73 of the Education Act 1989.
8. 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).
9. Investments may only be made with the approval of the Board of Trustees, minuted at a Board of Trustees meeting.

Fundraising

10. 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 School. 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.

Cash Receipts

11. 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.
12. No cash received can be used to pay accounts in cash, until it had been first receipted.
13. Only delegated staff may handle cash.
14. All receipts must be banked as soon as practicable.

15. All cash and cheques kept on the premises must be kept secure and under the control of a delegated person.

Accounts for Payment

16. 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.
17. 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.
18. Expense reimbursements must be certified by the Principal, provided the certifier has delegated authority to sign. An expense claim must 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.

Petty Cash

19. A petty cash fund of no more than \$500 shall be held.
20. Reimbursement claims from the petty cash fund shall not exceed \$50 and must be accompanied by a receipt and approved petty cash voucher.
21. Petty cash advances will only be made for amounts up to \$50. 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.

Accounting Records

22. 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.
23. The financial system must be organised by the Principal so 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

24. For each calendar month during the school year, the Principal shall present a written summary that shows:
 - Statement of Financial Performance, including comparison to budget
 - a summary Statement of Cashflow and
 - a summary Statement of Financial Position.
 - 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.