

POLICY: Finance

The daily life of the College will be permeated with the values of Jesus Christ and the teachings of the Catholic Church. Special links will be maintained with the Sisters of Our Lady of the Missions as the College Founders and their special charism reinforced in the College. Ensuring that the school finances are appropriately managed and monitored ensures that the financial viability of the school is maintained and ensures that there is a sound financial basis within which to provide faith-based education that reflects the Special Character of our Kura.

Outcome Statement

The Board as a good steward ensures the school is financially viable, risks are managed effectively, and resources are managed prudently and equitably, and targeted to where they make the most difference to outcomes for students.

Purpose and Scope

The Board has overall responsibility for the financial management of the school. The Principal is the day-to-day manager of the school and responsible for achieving legislative requirements and managing sensitive expenditure.

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 and provide protection to the Principal, Board, stakeholder groups and committees that carry out fundraising, seek sponsorship or grants on behalf of the school.

Four broad guidelines are included in the finance policy:

- Financial guidelines
- Sensitive expenditure guidelines
- Theft and Fraud prevention guidelines
- Fundraising guidelines

Delegations

- The Principal, in association with the Board's Finance Committee, is responsible for recommending an annual operating and capital budget to the Board within the time advised to the Principal by the Board. It is anticipated that such times will align with the School's financial year.
- The Board delegates the day-to-day management of the School's finances and budget (once approved by the Board) to the Principal.
- The Principal is required to ensure robust, clear procedures are in place to safeguard the integrity of financial management.

FINANCIAL GUIDELINES

The budget should:

1. Reflect the results sought by the Board, including its Special Character goals and annual plan.
2. Not risk financial jeopardy.
3. Reflect the priorities as established by the Board.
4. Comply where the Board's requirement is for a balanced budget.
5. Demonstrate an appropriate degree of conservatism in all estimates.

The Principal shall:

1. Recommend to the Board an annual budget that reflects the annual and long term strategic goals of the school.
2. Monitor financial performance against budget.
3. Approve procedures for the day-to-day financial management of the school, ensuring no unauthorised debt or liability is incurred and that accepted accounting practices or principles are not violated.
4. Ensure all government returns are completed on time.
5. Receive, process, or disburse funds that sufficiently meet auditing standards and controls, including that no one person has complete authority over the school's financial transactions.
6. When making any purchase valued at over \$5,000 and which has not already been budgeted for and approved, Board approval is sought first. The Board may (in its discretion):
 - a. approve the purchase; or
 - b. require that comparative prices be sought before approving the purchase; or
 - c. request that an adequate review of ongoing costs, value and reliability is undertaken before approving the purchase.
7. Invest or hold operating capital in secure accounts ('A' standard or better in Standard & Poor's, Moody's or the Fitch scale), or in interest-bearing accounts except where necessary to facilitate ease in operational transactions.
8. Ensure that there is a clear understanding of both the capital and operational funding streams relevant to integrated schools so that capital expenditure is not spent on operational areas and operational funds are not spent on capital items.
9. Ensure that expenditure, and commitment of expenditure, is approved within clearly defined delegations.
10. Ensure timely payment to staff and other creditors is made, and that effective systems are in place to meet the requirements of the payroll system.
11. Ensure tagged funding is spent in areas for which it is provided.
12. Approve procedures for managing and recording the financial activity and liability resulting from the International Students' programme and take a conservative approach to managing specific risks in this area.
13. Recommend suitable insurance cover for the Board to mitigate the risks with:
 - a. public liability
 - b. associated with the international fee-paying student programme
 - c. liability for expenses, losses, damages, and costs incurred by or awarded against the Administrator of the Code of Practice for International Students and claimed by the Administrator from the school
 - d. Liability arising from the activities of accommodation and recruitment agents used by the college in enrolling international fee-paying students
14. Invest surplus funds in accordance with legislative requirements and best practice.
15. Make informed recommendations to the Board and report to the Board on a regular basis, presenting current financial accounts at each meeting that comply with accepted accounting principles.
16. Present annual financial statements in compliance with the Public Finance Act 1989, that are available for audit and for the community.

SENSITIVE EXPENDITURE GUIDELINES

- The Board agrees it has a responsibility to ensure that all expenditure of Board funds is clearly linked to the business of the school and does not at any time provide for unreasonable and personal benefit from those funds to any individual or group of individuals, staff, or students.
- The expenditure of public money must meet standards of probity that will enable it to withstand public scrutiny.
- All public entities incur expenditure, including sensitive expenditure, to help to achieve objectives.
- The public expects that decisions to commit to and make payments for goods and services should be subject to proper authorisation and controls.

Sensitive expenditure includes but is not limited to:

- Travel expenses
- Accommodation expenses
- Hospitality and entertainment
- Koha and gifts

- Provision of meals and refreshments
- Use of landline, cell phone, internet access

The Principal shall:

1. Approve any sensitive expenditure incurred and consider if any gift offered could give rise to a conflict of interest and must therefore be declined.
2. Ensure that any Sensitive Expenditure is reported to the Board through the Finance Committee
3. When giving and receiving gifts, take a cautious and consistent approach on spending for farewells and retirements i.e., should be moderate and conservative. Value of presentations to employees who retire or resign:
 - a. 0-2 years \$50
 - b. 2-3 years \$70
 - c. 3-5 years \$100
 - d. 5-10 years \$200
 - e. 10-20 years \$350
 - f. 20+ year \$500
4. Gifts over \$100 given and received by School employees and Board members shall be recorded in a gift register.
5. Gifts to express thanks to parents or other community members who donate services to the school shall be purchased by way of a small gift and it may be appropriate for employees travelling overseas to give a small gift to their host.
6. Circulate a copy of the approved policy to all staff and arrange for a copy to be included into the School Policies Manual, copies of which shall be available to all staff.
7. Monitor any proposed expenditure which may benefit individuals or groups of individuals which have raised funds with a full understanding of their purpose known to those contributing to the funds, such as parents or other funding sources i.e., charities. The funds raised will cover all costs including travel and accommodation for teachers who may be involved in fundraising.

THEFT AND FRAUD PREVENTION GUIDELINES

The Principal must immediately report any theft or fraudulent conduct to the Board Presiding Member and ensure that:

1. Systems are in place to protect the school's physical resources and ensure that these are kept secure.
2. Systems are in place to protect the school's financial systems, to prevent and detect the occurrence of fraud.
3. Where appropriate, the matter is reported to the New Zealand Police within 48 hours.
4. The Principal/Board Presiding Member (as appropriate) may commence a further investigation into the matter:
 - a. If a *prima facie* case is thought to exist to continue with their investigation
 - b. Invoke any disciplinary procedures contained in the contract of employment should the person be a staff member
 - c. Lay a complaint with the New Zealand Police
 - d. If necessary, commission an independent expert investigation
 - e. In the case of fraud, request written evidence of the possible fraudulent action and determine the likelihood or not of such evidence
 - f. Seek legal advice
 - g. Inform the Manager, National Operations, Ministry of Education local office and/or the school's auditors

Once all available evidence is obtained, the Principal shall consult the Board Presiding Member. The Board Presiding Member may, if they consider it necessary, seek legal or other advice as to what further action should be taken.
5. 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.
6. Any intimation or written statement made on behalf of the school and related to any instance of, or actual theft or fraud shall be made by the Board Presiding Member who shall do so after consultation with the Principal and if considered appropriate after taking expert advice.

7. Allegations concerning the Principal or a Board Member:
- Any allegation concerning the Principal or a Member of the Board other than the Presiding Member should be made to the Board Presiding Member. The Presiding Member will then refer the matter for external investigation
 - Any allegation concerning the Presiding Member of the Board should be made in the first instance to the Principal and the Deputy Presiding Member of the Board who must then advise the manager of the local office of the Ministry of Education and take such advice and direction as is required to investigate and resolve the complaint

FUNDRAISING GUIDELINES

- The Board supports fundraising and/or sponsorship activities for school-related purposes provided they:
 - comply with the current relevant legislation
 - comply with the current relevant legislation
 - are in keeping with the school's current charter and strategic plan
 - are voluntary and do not generate undue additional work for staff
 - comply with school governance and management policy and procedures
 - do not directly work to the detriment of our students' health and wellbeing
- The Board retains authority for formal applications for funding from charitable trusts. These applications must be channelled through the School's Grants Delegate who will make a recommendation to the Board.
- Sponsorship and other fundraising activities undertaken by school groups must comply with this policy and procedures and guidance set by the Principal.
- For fundraising or grant applications for assets over \$50,000, a Grants Committee may be formed with appropriate terms of reference and procedures established. Approval by the Board should be sought and confirmed before this committee can proceed.

Monitoring

The Principal is responsible for financial reporting and demonstrating budget compliance. Where there is non-compliance, variances are to be reported to the Board with recommendations on the actions required to meet compliance.

Review

The Board shall review this policy.

Review schedule: October Triennially

Review next due: October 2028

REFERENCES:

- Ministry of Education Financial Information for Schools Handbook (FISH)
- Reserve Bank of New Zealand Act 1989
- NZSTA Financial Management.
- SHGC Charter Strategic and Annual Plan.
- Code of Practice for International Students.
- NZ Secondary Teachers Collective Agreement.
- Public Finance Act 1989.
- Education and Training Act 2020

Approved by the Board of Trustees at the meeting held on: **3 November 2025**



Presiding Member