

TIRIMOANA SCHOOL
FINANCIAL MANAGEMENT POLICY
INTERNAL CONTROL THEFT AND FRAUD PREVENTION

RATIONALE:

Tirimoana School will use “Best Practices” for the management and control of school finances and assets. The internal control systems will help the Board of Trustees ensure that procedures are in place to prevent fraud and theft of school resources.

GUIDELINES:

1. The Schools financial and physical resources are to be kept secure and accounted for.
2. The Schools financial systems must meet the requirements and standards as set out in the Public Finance Act 1989 Section 45C(b) and of generally accepted accounting practice.
3. All funds received to be recorded and banked as soon as possible into the school bank account.
4. All funds received, cash, EFTPOS, electronic banking, or direct payments to be processed and balanced to the bank statement monthly.
5. All purchases to have a properly authorised purchase order number. The order books to be triplicate with the top copy for the supplier, a copy attached to the invoice and a copy remains in the book. All invoices to be reconciled by Executive Officer. The invoice is stamped and signed by the person who ordered the goods to prove the full order has been received before payment.
6. Online direct payments are processed and authorised by the Principal and BOT Treasurer.
7. Cheques to be stamped “Not Negotiable A/C Payee only” and “or bearer” crossed out. The payment advice to be attached to the cheque. Payment approval advice to be attached to the invoice/statement, signed by an authorised person - Principal, Executive Officer or designated Board Member.
8. Responsibility for signing of cheques should be shared between Executive Officer, Principal, Secretary, and BOT Treasurer. Any cheque greater than \$1000 will be signed or confirmed by the Principal and Treasurer.
9. The Executive Officer has the responsibility for the reconciliation of the two school visa cards. All dockets must be attached to the visa account for the month and a summary sheet attached. Payment is automatically deducted from the school cheque account each month on the due date.
10. School office to utilise a receipt book and receipts emailed from the computer programme, where appropriate.
11. A Petty Cash system with an imprest amount of no more than \$300.00 to be maintained.
12. A computerised accounting package is to be used to record all financial transactions and assets. Reports are to be produced regularly listing expenditure and verified to be in balance and reconciled against the schools bank records and compared to the approved budget. A full copy of the financial report for each month to be reported to the BOT at their regular normal meetings along with summary information highlighting any significant variations to the budget.
13. The Executive Officer/Treasurer to monitor the cheque account balance to ensure that adequate funds are held to meet all payments. The cheque account should operate in credit at all times. Surplus funds should be transferred to an interest bearing account or term investment.
14. The Finance committee to produce a budget by November each year for the following year and present it to the BOT for approval. The Budget is to be produced in consultation with

school staff and budget holders. Objective is to keep expenditure within budget by means of appropriate procedures and careful monitoring. Budget holders to be consulted whenever significant variations to their budget are identified.

15. The Annual Accounts are to be prepared as at the end of December each year for audit by the appointed Auditors.
16. In the event of an allegation of theft or fraud the Principal will immediately investigate and wherever there is the possibility of the allegation being correct, produce a report for consideration by the BOT who shall then decide what further measures to undertake which may include: -
 - Making a complaint with New Zealand Police
 - Commissioning a further investigation including consulting with expert advice
 - Informing the Ministry of Education and School Auditors
 - Possible sanctions that are allowed by law and are within the rules, policies and procedures of the school.
17. At all times appropriate written records will be maintained in relation to the allegations, the evidence and findings of any investigation. At all times the School and BOT will give careful consideration to the need for confidentiality to protect the reputation of the person or persons implicated.
18. Any allegation concerning the Principal should be reported to the BOT Chairperson who shall then act on the allegation. Any allegation concerning a member of the BOT should be made to the Principal. The Principal will then advise the Ministry of Education and commence an investigation as above.

Signatory Review Date: June