

Cash Management Policy

Relevant Legislation	Public Finance Act 1989 Crown Entities Act 2004 Education and Training Act 2020 Serious Fraud Office Act 1990
Relevant Government Policy	National Administration Guideline 4
Industrial Relations	Area School Collective Employment Agreement
Responsibility for Policy	Board, Manukura and Risk & Finance (RAF) Committee
Application	This policy applies to all kaimahi with delegated authority to incur expenditure on behalf of Haeata Community Campus.
Current version	March 2022
Next Review Date	November 2022

1. Policy Statement

The board accepts that it has a responsibility to protect the cash resources of the Kura. The board has agreed on the fundamental principles of this policy, and has delegated responsibility for the implementation and monitoring of this policy to the Manukura. In the formulation and approval of this policy, the board has had due regard to the accepted standards of sound financial management and applied these to the Kura. The board wishes to record that it sought the advice of a chartered accountant and consulted with the Kura's auditor before approving this policy.

2. Purpose

The Cash Management Policy provides guidance and establishes procedures for all kaimahi incurring approved expenditure on behalf of Haeata Community Campus. 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 Public Finance Act 1989 and the Schedule of Delegations, and may not exceed an individual's established level of delegated authority.

3. Parties

The Board requires the Manukura as the chief executive and the Board's most senior advisor, to implement and manage this Policy. The Manukura may, from time to time, further delegate some of their responsibilities, and all such delegations must be approved by the Board and attached as appendices to this Policy.

4. Bank Account

Under section 158 of the Crown Entities Act 2004, all money received by the kura must be paid, as soon as practicable after it is received, into the bank account of the kura. All bank accounts held by the Kura must comply with Crown Entities Act 2004 requirements at all times. The board agrees that one bank account shall be operated for board general receipts and payments. The Board agrees that if the functions of the Kura require other bank accounts to operate that will be sanctioned by way of formal resolution. The kura will use electronic banking facilities within agreed and published procedures and protocols, with an emphasis on restricting access to banking information. Secure passwords are required for internet banking and these are to be kept confidential to the user. Passwords may not be shared amongst kaimahi and should be updated regularly. Separate at-call deposit accounts shall also be operated for fixed asset replacement and Caretaker Works as specified in the board's policies for these matters. Bank reconciliations should be independently prepared by the kura's external provider (2022 - Solutions and Services) and reviewed monthly by the Risk & Finance Committee (RAF).

5. 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-specific purposes i.e. cluster funds (ORS, Te Putahitanga, Resource Teacher of Learning and Behaviour etc). The terms and conditions for the operation of these accounts shall be the same as for the general operating account referred to above.

6. Investments

Investments of Kura funds may only be made in accordance with the terms in section 154 of the Education and Training Act 2020. Notwithstanding the requirements of section 154 of the [Education and Training Act 2020 No 38, \(Sections 160 and 161 of the Crown Entities Act 2004\)](#) apply) no investments may be made in equity stocks or in synthetic money market products (e.g. forward rate agreements and interest rate swaps). Investments may only be made with the written authorisation of the principal and the presiding member.

7. Fundraising

The board acknowledges that under section 154 of the Education and Training Act 2020 some professional fundraising contracts constitute an illegal fundraising contract. No such fundraising contract will be entered into by the Kura. If doubt exists about the legality of a proposed fundraising contract, the Manukura will contact their Kura Finance Adviser of the Ministry of Education for advice.

8. Cash Receipts

The preferred method of payment for fees, donations and invoices is electronic rather than cash. Cash will be stored in a secure location that only the finance team has access to. All cash will be banked a minimum of weekly. All cash received must be paid into the Kura office and properly receipted. This includes trading revenue, other local funds receipts and reimbursements for learning materials. Only kaimahi holding delegations may handle cash. No cash received can be used to pay accounts in cash. When any banking deposits are received, they shall be receipted, and a deposit slip raised by a second person to ensure there is a separation of duties. If a second person is not

available, then the principal or presiding member should check the deposit amount reconciles to the banking slip.

9. Accounts for Payment

All accounts for payment, other than expense reimbursements and attendance dues, must be supported by a copy of the official Kura order form and the correct invoice, with certification by the purchaser that each item has been received or service provided, and that the prices and quantities are correct. The correct payee details must be verified before paying any large amounts. They shall be checked against the suppliers banking details to ensure there has been no alteration of previous banking details. Extra caution shall be taken when remitting funds overseas. Finance kaimahi will not rely on email or electronic instructions to pay accounts. Checks with the authorising person will occur to ensure the payment is bona fide. There must be a separation between the person authorising the order and the person certifying/approving the invoice for payment. Payments require two approvals before they can be made. The supplier bank account details loaded into internet banking must match those on the invoice and a member of the finance team should verify that it is a legitimate supplier before authorising the payment schedule. All changes to the supplier master file should be checked against supporting documentation by a second person. The Kura will no longer operate a cheque account and will move to ApprovalMax in 2022 for payment of all invoices. All expenditure must have supporting documentations, approved and authorised before it is paid. Any expenditure should be in line with the delegation policies and budget set by the Board and approved by the person responsible, e.g. the Manukura of the Unit Holder with delegated authority. All expenditure should be approved by the person one-up e.g. the Manukura's credit card should be approved by the Board Presiding Member. Expense reimbursements must be certified by the person responsible, e.g., the Manukura or Unit Holder with delegated authority to reimburse. An expense claim should be supported by GST receipts or tax invoices. Claims for the use of private motor vehicle usage must be certified by the Manukura or delegate to indicate that approval was given. The latest mileage rates as per [Area School Teachers' Collective Agreement 2019-2022](#), will be paid on application. Appendix 1.

10. Petty cash

All payments should be made using electronic banking where possible. The petty cash fund will be limited to \$200 per day and all monies will be secured with access by the finance team only. A petty cash voucher should be prepared with the basic information contained showing the use of the money and by whom, the nature of the expenditure, general ledger code, and authorisation signature blocks. Reimbursement claims, will depend upon the use from the petty cash fund and shall not exceed any predetermined amount and must be accompanied by a receipt and approved petty cash voucher. At the end of the month the petty cash account should be reconciled and coded to the general ledger and the petty cash account topped up back to the float amount.

11. Approval

When the Board approved this Policy, it agreed that no variations of this Policy or amendments to it can be made except with the unanimous approval of the Board. As part of its approval, the Board requires the Manukura to circulate this Policy to all kaimahi and for a copy to be included in the Kura policy manual. The Kura policy

manual shall also be made available to ākongā and whānau at their request. The Board requires that the Manukura arrange for all new staff to be made familiar with this Policy and other policies approved by the Board.

12. Policy Review

The Haeata Community Campus Board is committed to sound financial management practices and the prudent management of all assets. This policy will be reviewed as part of the approved cycle of review.

Next Scheduled Review - **November 2022**