



Cash Management Policy

Rationale

Consistent with its vision and values, the Board accepts that it has a responsibility to protect the cash resources of the school.

Guidelines

A. Bank and Call Deposit Accounts

1. The Board agrees that one bank account shall be operated for Board general receipts and payments.¹
2. The signatories to this bank account shall be as follows:
 - i. the Board Chair
 - ii. the Principal
 - iii. the Business Manager
 - iv. up to one other Board member.
3. All authorisations for operating expenses shall be signed by at least two signatories.
4. Under no circumstances is a signatory to authorise an unspecified or open amount.
5. At no time shall a bank 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 may be operated to hold cash resources not currently required for operating purposes.

B. Investments

1. Investments of school funds may only be made in accordance with statutory requirements.
2. Notwithstanding legal requirements, no investments may be made in equity stocks or in synthetic money market products (e.g. Forward Rate Agreements, Interest Rate Swaps, Bitcoin etc).
3. Investments may only be made with the written authorisation of up to two of the signatories identified in clause A(2) above.

C. Accounts for payment

1. All accounts for payment, other than expense reimbursements and attendance fees, must be supported by appropriate documentation.

2. All invoices for payment must be signed off by at least two authorised personnel, usually the Principal and the Business Manager.
3. Expense reimbursements must be certified by the Principal. An expense claim should be supported by GST receipts or invoices.
4. Private motor vehicle usage shall only be reimbursed if this was the most practical form of transport for an authorised school activity as determined and previously approved by the Principal. Reimbursement will be on scale rates as per the relevant collective agreement.

D. Cash receipts

1. All cash received must be paid into the school office and properly receipted. This includes trading income, fundraising and other local funds receipts.
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 week of receipt.
5. All cash kept on the premises must be kept secure and under the control of delegated person(s).

E. Petty cash

1. A petty cash fund, or 'float' of no more than \$200 shall be held.
2. Reimbursement claims from the petty cash fund shall not exceed \$100 and must be accompanied by a receipt and approved documentation.
3. Petty cash advances will only be made for amounts up to \$100. They must have written documentation. A receipt for the actual expense with any unspent cash must be provided within 2 working days of the advance.

F. 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 so that the Principal and Board Chair can sign without hesitation the annual Statement of Financial Responsibility as required by Section 155 of the Crown Entities Act 2004.
3. For each full Board meeting the Principal shall ensure the preparation of financial reports showing:
 - i. Income and Expenditure, including comparison to budget
 - ii. a summary Statement of Financial Position.
4. For each full Board meeting the Principal shall ensure the Board receives full information on:
 - i. the school's overall financial position
 - ii. significant variance from budget

- iii. significant matters and/or risks that must be addressed by the Board.
- 5. 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 school's present cash resources and projected cashflows for the next 12 months.

G. Separation of Duties

- 1. The Principal will develop a 'Schedule of Financial Responsibilities' showing financial tasks alongside the person(s)/organisation responsible for carrying out each task.

Chairperson:



Date:

20/6/22

Next review date: July 2025

ASSOCIATED PROCEDURES:

- 1. Schedule of Financial Responsibilities (to be developed)

(NB: Procedures are developed as part of school management. The Board of Trustees will be informed of the development or revision of procedures derived from Board policies by the Principal. For some especially significant procedures, these will be presented to the Board in full)

ⁱ It is noted that at the time of writing this policy that the school has yet to complete the transition from changing all of its banking services from BNZ to Westpac. Once complete, a single Westpac account will operate.