



NAG 4

NAG 4 FINANCE AND PROPERTY

- 4.1 Finance
- 4.3 Asset Protection and Management



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Finance Procedures

Linkages:

- Financial Planning Policy
- Financial Condition Policy
- Accounting Procedure (Including Credit Cards)-*Included in this document*
- Transport Assistance Allowance Procedure-*Included in this document*
- Theft and Fraud Prevention Procedure-*Included in this document*
- Whānau Accouts and School Fees-*Included in this document*

Finance Procedures:

1. A Finance Ohu is created from members of the Board of Trustees. This Ohu will have a minimum of three members made up of:
 - The Kaihono
 - The Treasurer
 - The Tumuaki
 - The Accounts Administrator (Education Services)

It may include other associates with specialist knowledge and skills as appointed by the Board of Trustees.

2. The Finance Ohu will prepare budgets for ratification by the Board of Trustees.
3. This Ohu will prepare forecasts of financial needs and submit to the Board of Trustees for ratification.
4. The Ohu will monitor income and expenditure against budgets and forecasts throughout the financial year and present a monthly financial report.
5. Financial accounting procedures are to be practised. (See Accounting Procedures below).
6. A Statement of Financial Position and audited accounts are to be completed and presented to the Board of Trustees for ratification within the required time.
7. Te Kura Kaupapa Māori o Manawatū accept no responsibility for debts incurred outside the normal financial operations of the Kura.

Accounting Procedures:

1. All Income and Expenditure is to be forwarded to the Accounts Administrator (Education Services) employed by Te Kura Kaupapa Māori o Manawatū who will manage the financial reporting functions of the Kura.
2. Annual Budgets will be prepared to ensure that:
 - a) Expenditure does not exceed the forecasted revenue
 - b) Expenditure meets the educational needs of the Kura
 - c) Sufficient funds are maintained
3. The Tumuaki will furnish to the Finance Ohu a comprehensive list of materials, equipment and services required for consideration by the Finance Ohu in preparing the next year's budget.
4. The Tumuaki will administer the approved Budget ensuring the allocation of funds is not exceeded.
5. Monthly Financial Reports will be produced to ensure that:



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- a) Actual expenditure is consistent with the forecasted budget
- b) Shortfalls and/or surpluses are detected to allow re-allocation of funds from within the allocated budget
- c) Sufficient funds are allocated to complete the financial year
6. Should insufficient funds be detected, this is to be reported to the Board of Trustees.
7. All transactions are to be recorded in the required Book/File or Document:
 - a) Receipt Book
 - b) Bank Deposit Book
 - c) Bank Statement File
 - d) Purchase Order Book
 - e) Cheque Book
 - f) Petty Cash Register
 - g) Tari Forms (Reimbursement, Petty Cash etc)
8. Computerised Accounting Systems are appropriate for the Kura needs.
9. Receipts are to be issued for all monies received. All receipt books remain the property of the Kura and are not to be removed from the premises except under Audit requirements.
10. Receipts are to be issued in order of sequence and recorded in triplicate:
 - Original to the payer
 - Duplicate to the Accounts Administrator for compilation
 - Triplicate to remain in the book
11. Receipts will not be issued for Credit Notes received from firms.
12. Alterations to receipts are not permitted, should, in the event of an error be made, the erred receipt is to be crossed with the words "CANCELLED" clearly marked on the receipt and all copies should remain in the book. A new receipt is to be issued.
13. All cash and cheques received are to be banked into the authorised Kura bank account. All cash and cheques to be banked must equal the total of receipts issued.
14. Banking is to be done on a regular basis, however all monies received within the month should be banked within that month.
15. All business expenses (eg. Telephone, Electricity etc) will be processed and paid by cheque, direct debit and/or Internet Banking on a monthly basis.
16. A Purchase Order will be required to be authorised with an authorising signature obtained before any purchasing can take place. Separate Order Books will be used for the purchasing of –"Stationery", "Cleaning" and "Sundry" purchases.
17. All Order Books will be consecutively numbered and be in triplicate:
 - Original to the Supplier
 - Duplicate: attach to the receipt and/or packing slip and attach to Invoice once received. These are to be sent to the Accounts Administrator for processing.
 - Triplicate to remain in Order Book
18. Invoices are only to be sent for processing once the goods and services supplied meet our requirements. All unsatisfactory goods and services are to be referred back to the supplier for replacement and/or refund.
19. All Invoices are to be coded accordingly and a schedule attached to the Invoices. These invoices are to be sent to the Poutautoko Tahua who will process through Internet



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- Banking or arrange for cheques to be issued. Payments made via cheque or internet banking can only be authorised by the Tumuaki, Kaihono or Treasurer.
20. All Accounts received are to be sent and processed on a monthly basis.
 21. Should a Credit Note be issued by a supplier, the amount of the Credit Note is to be deducted from any unpaid portion of the Invoice. This Credit Note is to be filed appropriately.
 22. All payments are to be made by cheque, direct debit and/or Internet Banking.
 23. All cheques are to be signed by two current authorised signatories. Wherever possible the Tumuaki should be one of the signatories.
 24. All cheque butts are to be recorded at the time of issuing cheques.
 25. Should a cheque, for whatever reason need to be cancelled, the words "CANCELLED" should be clearly marked on both the cheque and the butt. The cheque should then be folded and/or stapled to the butt.
 26. Signed "blank" cheques are not to be issued at any time.
 27. All dishonoured cheques received by the Kura are to be followed up by the Finance Ohu with a request for payment.
 28. An accurate Petty Cash Register will be administered.
 29. Petty Cash budgets will be allocated in accordance and as determined in the Annual Budget.
 30. Petty Cash budgets will be allocated to Pouako, Tari and the Tumuaki.
 31. All purchases made using Petty Cash will be recorded in the register and each entry must be supported by a Cash Sales Docket and/or Receipt as proof of purchase.
 32. Petrol Cards are secured in the Kura safe. These, at the discretion of the Tumuaki and/or Finance Ohu can be issued as a means of meeting the fuel expenses and/or purchases at times when private vehicles and/or the Kura vehicle are used or purchases made for Kura business and use. A Petrol Card form is to be filled in and an authorised signature obtained before removal from the tari. All receipts are to be returned with the card to the tari. A schedule recording the issue/receipt of Petrol Cards are to be held in the Tari.
 33. Monthly Financial Reports will be prepared by the Accounts Administrator and made available for the monthly Board of Trustees meeting.
 34. All accounting systems and practices will be subject to an Annual Audit.

Credit Cards:

1. The Tumuaki will be the sole holder of the Credit Card..
2. The Tumuaki can authorise the Poutautoko Tahua the Poutautoko Tari or the Treasurer to use the Credit Card for Kura business where necessary.
3. The credit card is not to be used for any personal expenditure.
4. The credit card will only be used for:
 - payment of actual and reasonable travel, accommodation and meal expenses incurred on School business; or
 - purchase of goods where cheque or internet banking is not accepted.
5. All expenditure charged to the credit card should be supported by:



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- A detailed invoice or receipt to confirm that the expenses are properly incurred on School business.
 - For expenditure incurred in New Zealand of value greater than \$50 (including GST) there should also be a GST invoice to support the GST input credit
6. The credit card statement should be certified by the cardholder as evidence of the validity of expenditure.
 7. Authorisation for the expenditure should be obtained on a one-up basis (for example the Principal should authorise any travel by the Deputy Principal and the Board should authorise any travel by the Principal). Cardholders are not allowed to approve their own expenditure.
 8. All purchases should be accounted for within 5 working days of receiving a credit card statement.
 9. Cash advances are not permitted except in an emergency.
 10. Where cash advances are taken, the cardholder must provide a full reconciliation, with receipts wherever possible, of how the cash was used. Any unspent monies must be returned to the School.
 11. Any benefits of the credit card such as a membership awards programme are only to be used for the benefit of the School. They should not be redeemed for personal use.
 12. The cardholder must protect the pin number of the card.
 13. The cardholder must only purchase within the credit limit applicable to the card.
 14. The cardholder must notify the credit card company and the school immediately if the card is lost or stolen.
 15. The credit card should not be used on the internet without prior Tumuaki approval.
 16. The cardholder must return the credit card to the School upon ceasing employment there or at any time upon request by the Board.

Whānau Accounts:

1. We have a student invoicing system whereby fees and purchases are invoiced to the whānau annually (*whānau accounts*).
2. All Kura fees (*school fees*) are charged to whānau accounts and all transport pūtea is credited to whānau accounts.
3. Purchases such as Kākāhū Kura and Kura photos and Hākinakina Fees or any extra curricular fees may be charged to whānau accounts provided the whānau account is not over the \$200.00 credit limit.

School Fees:

The fees structure for the Kura is as follows:

1. A Kura Donation of \$15 per tamaiti or \$25 per whānau per year.
2. An activity fee of \$250 per tamaiti per year or \$62.50 per term if the child is not at Kura for the whole 4 terms.
3. Te Puāwaitanga Fee of \$60 per tamaiti per year. \$10 per year of the \$60 is utilised to pay for each child's meal for the current year. \$50 per year is saved for the child's own Te Puāwaitanga graduation when they are Tau 8. Should the child be a transfer student



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then the amount to pay per year will be calculated based on the amount of years the child will be at Kura.

4. There are often extra-curricular activities that the Kura participate in. (e.g off-site trips and visits) The date/s and any associated costs are normally advertised well in advance. Mātua are asked to meet the fees associated with any of these activities, which are always kept to an absolute minimum.
5. Hākinakina Fees are charged according to the cost to the Kura. The amount to enter a team into a competition is divided between the players in the team. There is a \$2.00 administration fee charged by the Kura per tamaiti per sport.

Transport Assistance Allowance Procedures:

1. All whānau mileage records are to be updated regularly, and new whānau asked to complete a mileage form and provide proof of address.
2. The board will determine an appropriate formula for apportioning the allowance received from the Ministry to the eligible whānau.
3. The whānau accounts of those whānau eligible for Transport Assistance, are firstly to be zeroed using their transport assistance pūtea.
4. Any residue of the allowance that remains will then be paid out in the most appropriate manner.
5. Each whānau that needs to collect their pūtea is to do so in person. The signature of the person collecting the transport assistance is to be gained at the time of the collection.
6. A clear audit trail of monies received and payments made is to be kept.
7. All whānau mileage will be confirmed by the use of AA maps or Wises website to ascertain the shortest route from their residential address to 88 Rhodes Drive, Palmerston North.
8. There is an Administration Fee of \$3.25 per Child/per Term as approved by MOE
9. There will be a Bi-annual review of all whānau eligible to receive the transport allowance.

Theft and Fraud Prevention:

1. As preventative measures against theft and fraud, the Board requires the Tumuaki to ensure that:
 - The Kura's physical resources are kept secure and accounted for.
 - The Kura's financial systems are designed to prevent and detect the occurrence of fraud. All such systems must meet the requirements and standards as set out in the Crown Entities Act, 2004 and of generally accepted accounting practice promulgated and supported by the Institute of Chartered Accountants of New Zealand.
 - Staff members who are formally delegated responsibility for the custody of physical and financial resources by the Tumuaki are proven competent to carry out such responsibilities and that such persons are held accountable for the proper execution of their responsibilities.
 - All staff members are aware of their responsibility to immediately inform the Tumuaki should they suspect or become aware of any improper or fraudulent



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- actions by staff, suppliers, contractors, taura, or other persons associated with the Kura.
2. In the event of an allegation of theft or fraud, the Tumuaki shall act in accordance with the following procedures:
 - Decide to either immediately report the matter to the New Zealand Police or proceed as outlined in this paragraph.
 - So far as it is possible and within 24 hours:
 - a) Record the details of the allegation, the person or persons allegedly involved, and the quantity and/or value of the theft or fraud.
 - b) Request a *written statement* from the person who has informed the Tumuaki, with details as to the nature of the theft or fraud, the time and circumstances in which this occurred, and the quantity and/or value of theft.
 - c) Decide on the initial actions to be taken including consulting with the person who provided the information and, if appropriate, confidentially consulting with other senior members of staff about the person who is the subject of the allegation.
 - d) Inform the Kaihono of the information received and consult with them as appropriate.
 3. On the basis of advice received and after consultation with the Kaihono, the Tumuaki shall decide whether or not a *prima facie* case of theft or fraud exists, and if not, to document this decision and record that no further action is to be taken.
 4. The Principal shall then carry out the following procedures:
 - Investigate the matter further;
 - If a *prima facie* case is thought to exist to continue with their investigation;
 - Invoke any disciplinary procedures contained in the contract of employment should the person be a staff member;
 - Lay a complaint with the New Zealand Police;
 - If necessary, commission an independent expert investigation;
 - In the case of fraud, require a search for written evidence of the possible fraudulent action to determine the likelihood or not of such evidence.
 - Seek legal advice; or
 - Inform the Manager, National Operations, Ministry of Education local office and/or the school's auditors.
 5. Once all available evidence is obtained, the Tumuaki shall consult the Kaihono. The Kaihono may, if they consider it necessary, seek legal or other advice as to what further action should be taken.
 6. If a case is considered to exist the Tumuaki or a person designated by them shall, unless another course of action is more appropriate:
 - Inform the person in writing of the allegation that has been received and request a meeting with them at which their representative or representatives are invited to be present.
 - Meet with the person who is the subject of the allegation of theft or fraud and their representatives to explain the complaint against them.



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- Obtain a verbal or preferably a written response (all verbal responses must be recorded as minutes of that meeting, and the accuracy of those minutes should be attested by all persons present).
 - Advise the person in writing of the processes to be involved from this point on.
7. The Board recognises that supposed or actual instances of theft or fraud can affect the rights and reputation of the person or persons implicated. all matters related to the case shall remain strictly confidential with all written information kept secure. Should and delegated staff member or any other staff member improperly disclose information the Tumuaki shall consider if that person or persons are in breach of confidence and if further action is required. Any action the Tumuaki considers must be in terms of the applicable conditions contained in the contract of employment and any code of ethics or code of responsibility by which the staff member is bound.
 8. 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.
 9. Any intimation or written statement made on behalf of the Kura and related to any instance of supposed or actual theft or fraud shall be made by the Kaihono who shall do so after consultation with the Principal and if considered appropriate after taking expert advice.

Allegations Concerning the Tumuaki or a Trustee

10. Any allegation concerning the Tumuaki should be made to the Kaihono. The Kaihono will then investigate in accordance with the requirements of paragraph 6 of this policy.
11. Any allegation concerning a member of the Board of Trustees should be made to the Tumuaki. The Tumuaki will then advise the manager of the local office of the Ministry of Education and commence an investigation in accordance with the requirements of paragraph 6 of this policy.

Approval

12. When the Board approved the Policy it was agreed that no variations of the Policy or amendments to it can be made except by the unanimous approval of the Board.
13. As part of its approval the Board requires the Tumuaki to circulate this Policy to all staff, and for a copy to be included in the Te Kura Kaupapa Māori o Manawatū Policy Manual, copies of which shall be available to all staff. The Kura Policy Manual shall also be made available to students and parents at their request. The Board requires that the Principal arrange for all new staff to be made familiar with this Policy and other policies approved by the Board.

Relevant Documentation:

- One Card Form
- Petty Cash Form
- Akomanga Petty Cash Form
- Private Vehicle Reimbursement Request Form
- Reimbursement Form
- Transport Pūtea Request for Reimbursement Form
- Petrol Voucher Form



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- School Transport Pūtea Application Form
- Financial Information for Schools Handbook
- Books of Account
- Forecast Budget
- Source Documents
- Financial Reports
- NAG 4
- www.minedu.govt.nz/finance
- www.minedu.govt.nz/.../EducationPolicies/Schools/SchoolOperations/SchoolTransport.aspx



ASSET PROTECTION and MANAGEMENT

4.3 Asset Protection and Management

Linkages:

- Asset Protection Policy
- Asset Management Procedure (NEW)
- Kura Property and Resources
- Property Management

Asset Management Procedure:

Acquisition of Assets

1. The Board agrees to review the asset management plan annually and agree a budget for annual asset acquisitions.
2. The Tumuaki shall have delegated authority to purchase assets within the annual asset acquisition budget, following good procurement processes, provided that the value of any individual asset is no more than \$10,000.
3. The decision to purchase any asset with a cost of over \$10,000, must be made by the Board, not the Tumuaki alone.
4. The Board shall consider the most cost efficient acquisition method for each new assets acquisition decision i.e. whether to buy or lease, and whether to acquire by operating or finance lease.
5. The Boards shall follow good procurement processes for the acquisition of assets over \$10,000. This may include placing a notice on the Government Electronic Tendering System (GETS) for acquiring assets with a combined value over \$10,000; obtaining several quotes to compare value for money; and managing any potential conflicts of interest appropriately.

Information Technology Assets

6. All information technology assets, such as computers and laptops and associated software, must be compatible with the standard operating platform used within the school.
7. The Board aims to provide and maintain a suite of IT assets that provides the best possible learning tools for students, within budget constraints, including a replacement programme that matches the expected useful life of each asset.

Expected Useful Lives

8. The Board agrees on the expected useful lives of the following types of assets:

Buildings – School	8-40 years
Building improvements – Crown	10–20 years
Furniture and equipment	10–15 years
Information and communication technology	4 years
Motor vehicles	5 years
Textbooks	3 years
Leased assets	4 years
Library resources	8 years



ASSET PROTECTION and MANAGEMENT

Maintenance of Assets

9. The Tumuaki shall have delegated authority to maintain the school's assets in good working order, within the approved budget.

Asset Records

10. A fixed asset register for all assets with a cost of \$500.00 or more shall be recorded in the fixed asset register.
11. Assets that cost less than \$500.00 shall be recorded in a register of valuable assets.
12. A review of assets against the fixed asset and valuable asset registers shall be undertaken at least once a year.

Disposal of Assets

13. The Tumuaki shall have delegated authority to dispose of any asset that has reached the end of its useful life (as recorded in the fixed asset or valuable asset registers), provided the original cost of that asset was less than \$10,000. The Tumuaki shall report to the board about reasons for disposal, disposal process and any net disposal proceeds.
14. The Board shall approve the disposal of any asset that had an original cost of over \$10,000, including the reasons for disposal, disposal process and use of any disposal proceeds.

Kura Property and Resources Procedures:

1. All conditions of the Kura insurance policies are to be met.
2. If staff wish to make use of Kura property or facilities to increase their own skills or complete work or other Kura-related projects out of Kura hours, prior permission is to be gained from the Tumuaki before any equipment is taken off-site.
3. Prior permission is to be gained from the Tumuaki also, before:
 - whānau come in to the kura to use, or take any equipment or resources home.
 - staff or whānau use the Kura grounds or buildings for any purpose other than Kura-related activities.
4. Staff and whānau using the facilities and equipment must accept full responsibility for the security of that equipment, for its replacement in the case of theft or loss, and for its repair in the case of damage.
5. If applicable, the user should contact their own insurer to safeguard equipment.
6. Use of consumable materials for purposes other than Kura use is to be charged out at an appropriate cost.
7. The Tumuaki will arrange for the Kura to be unlocked by a staff or board member for any external groups who have approval to use the Kura out of school hours. That person will also secure the Kura at the end of the required period.
8. Pouako, admin staff and (some) board members are to each have a clearly identified key. The key tag will only identify the owner of the key, and the Kura's contact number. All keys are to be signed for on a master key list, and issued only from the tari. New key cuts must be authorised prior to request, and the authorisation list is to be determined by the Tumuaki and Board.



ASSET PROTECTION and MANAGEMENT

9. Kaimahi (or relievers who end the day) are to ensure that the windows and doors of their own akomanga and/or tari are secured at the end of the day.
10. The last person to leave the kura on any day, must check that all doors and windows are locked, and set the alarm.
11. Kaimahi and board members are not to disclose the arm/disarm code of the alarm to any other person, unless prior approval to do so, has been given by the Tumuaki.
12. If required, the Tumuaki is to issue a key and temporary code to tradesmen who may be working at the Kura, and ensure that the key is returned, and code deactivated at the end of the required contract period.

Responsibilities

1. The Tumuaki is responsible for ensuring that the Kura insurance policies are up to date, and that the conditions of the insurance policies are being adhered to.
2. The Tumuaki is responsible for ensuring that;
 - Appropriate procedures are in place to allow staff members to work from home when appropriate;
 - Approval is given before the Kura premises is used outside of school hours;
 - Approval is given before any equipment leaves site;
 - Keys and codes are issued and returned as required.
3. The Tumuaki and/or Treasurer is responsible for determining the charges for personal use of Kura resources, and ensuring the master key list is accurate.
4. All kaimahi are responsible for ensuring that the Kura is secure at the end of each school day, and at departure time if working at Kura after hours.

Property Management Procedures:

1. The following programmes are to be implemented:
 - Regular monthly inspections (which include general maintenance and preventative maintenance requirements.
 - Annual capital works needs.
 - 10 Year Property Plan (10YPP)
 - Systematic review of renewal/replacement of furniture, furnishings and equipment.
2. The Board of Trustees is to be furnished with a monthly report on the progress of each programme.
3. The annual budget is to provide for ongoing maintenance as detailed in the 10YPP.
4. The conditions of the Property Occupancy Document are to be met.
5. Projects identified in the 10YPP should agree with the property visions of the whānau, as documented in the Charter and Strategic Plan.
6. The Board of Trustees is to initiate the projects identified in the 10YPP, in the period planned.
7. A Project Ohu is to be appointed for each building or site project that is undertaken, to oversee and manage progress. Regular reports are to be made to the board, and all Ministry requirements (if Ministry-funded) are to be complied with and deadlines met.



ASSET PROTECTION and MANAGEMENT

8. A groundskeeper is employed to maintain the external grounds of the Kura, and carry out basic repairs and maintenance tasks.
9. A cleaner is employed to maintain the internal areas of the Kura to a clean and hygienic standard.

Responsibilities

1. The Board of Trustees has overall responsibility for property matters, which entails ensuring that:
 - All property-based programmes are completed.
 - They (collectively, or a member) have sufficient knowledge of Property Occupancy Document requirements, Ministry requirements and Local Body requirements.
 - The 10 Year Property Plan is followed.
 - Projects are managed by capable personnel.
 - Ministry initiatives are kept abreast of.
2. The Tumuaki is responsible for ensuring that grounds and cleaning staff perform their tasks adequately.

Documentation

1. Insurance Policy.
2. Loans Book.
3. NAG 3.
4. NAG 4.

Documentation

1. Kura site plan.
2. Inspection Reports.
3. Asset Register.
4. Budget.
5. Property Occupancy Document.
6. Ministry property document.
7. Charter.
8. Strategic Plan.
9. Job Descriptions-maintenance staff.
10. NAG 4.

Outcome:

Monthly inspections are carried out in accordance with building warrant of fitness requirements, and the appropriate paperwork completed. Plans and programmes are adhered to and the Kura is properly maintained, in a clean and safe condition.