

4.1

POLICY

FINANCIAL PLANNING & CONDITIONS

"To live, learn and love with Jesus, being the best we can be"

Financial Planning

The Board of Trustees has the overall responsibility for the financial management of the school but delegates the day-to-day management of the school's finance and budget to the Principal. The Principal, in association with the Finance Committee, is responsible for recommending an annual operating and capital budget to the Board within the timelines specified in the Finance Committee terms of reference.

Budgeting should reflect the annual plan and show a generally acceptable level of foresight. It should not risk financial jeopardy. Thus the budget must:

1. Reflect the results sought by the Board
2. Reflect the priorities as established by the Board
3. Comply with the Board's requirement of a balanced budget
4. Ensure adequate working capital
5. Demonstrate an appropriate degree of conservatism in all estimates

Financial Condition

The financial viability of the school must be protected at all times. The Board understands that the possibility of theft or fraud cannot be entirely eliminated however the Principal is required to show there are in place safeguards and robust, clear procedures to minimise the risk of either event. Reference should be made to 5.4 of the Financial Information for Schools Handbook (FISH). Therefore the Principal shall:

1. Not incur unauthorised debt
2. Not violate generally accepted accounting practices or principles
3. Not use tagged funds for purposes other than those approved
4. Not spend more funds than have been allocated in the fiscal year without prior board approval
5. Ensure all money owed to the school is collected in a timely manner
6. Make timely payments to staff and other creditors
7. Not sell or purchase unauthorised property
8. Ensure that all relevant government returns are completed on time
9. Ensure that no one person has complete authority over the school's financial transactions
10. Not make any purchase:
 - a. Of over \$1000 without having obtained comparative prices and quality
 - b. Of over \$1000 without an adequate review of ongoing costs, value and reliability
 - c. Of over \$1000 on a single item without first seeking board approval

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