



Financial Management and Accountability Policy

See also: *Procedures for dealing with an allegation of Fraud*
 Investment Policy
 Financial strategies
 Expenditure Approval and Payment Procedures
 Credit Card Procedures

Rationale:

The BOT is committed to protecting and managing a sound financial position for the school through prudent investment and financial processes for the betterment of all students.

A. Financial Management

1. The Board of Trustees will appoint a Finance Committee which will oversee the financial management of the school.
2. The annual financial budget will be prepared by the Principal, approved by the Finance Committee, and presented to the Board of Trustees in draft form by December preceding the relevant financial year, and submitted for confirmation by the Board in February of the relevant financial year.
3. The annual budget will support the Board of Trustees Strategic Plan.
4. The Board of Trustees will ensure that the school complies with all legislative and regulatory requirements relating to school finances.
5. An appropriate system of internal control over financial activities will be instituted and maintained by the school. Such systems will be regularly reviewed and modified as required.
6. Investment of funds must be in accordance with the Lincoln High School Investment Policy.
7. Responsibility for the day to day financial management of the school is delegated to the Principal.
8. Reports on financial matters will be presented to the Board of Trustees at each meeting by the Principal or his/her nominee.
9. The annual budget will be monitored at regular intervals during the year.
10. Revenues and expenditures will be monitored and reviewed at each Board of Trustees meeting. Any variance from budget must be investigated by the Principal at the request of the Board of Trustees.
11. Reimbursement of the Principal's expenditure must be authorised by the Board of Trustees Chairperson or Chairperson of the Finance Committee.
12. Credit cards must be approved by the Board of Trustees, and the credit card procedures followed.

B. Financial Delegation

13. The Principal (or nominated Acting Principal), Deputy Principal, nominated Assistant Principal and the Business Manager (2 of these 4) be delegated full power to act and process payments in respect of budgeted expenditure in accordance with the Board Approved Expenditure Approval and Payment Procedures and the Principal be delegated the power to authorise expenditure for processing and payment of any unbudgeted items up to a total of \$6,000 per month.
14. The Principal is delegated authority to apply to charitable trusts, councils and other appropriate organisations for funds up to \$30,000 in any one application. A report on each application is to be made to the Board of Trustees.

C. Travel

15. The Principal is delegated authority to approve travel within New Zealand (in line with the travel budget).
The Principal is delegated authority to approve overseas travel associated with International Fee-Paying students, provided costs are within that budget. The Principal will obtain retrospective sign-off by the BOT Chairperson.

D. Gifts

16. Employees are not permitted to receive personal gifts associated with his/her role at Lincoln High School valued above \$100 without the approval of the Principal. The Principal is not permitted to receive personal gifts associated with his/her role at Lincoln High School valued above \$100 without the approval of the BOT chairperson or the Finance Committee chairperson.

E. Theft and Fraud

17. In the event of an allegation of theft or fraud the Principal shall decide to either immediately report the matter to the NZ Police or follow the 'Allegation of Fraud' procedures.
18. 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 any delegated staff member or any other staff member improperly disclose information the Principal shall consider if that person or persons are in breach of confidence and if further action is required. Any action the Principal considers must be in terms of the applicable conditions contained in their contract of employment and any code of ethics or code of responsibility by which the staff member is bound.
19. Any intimation or written statement made on behalf of the School and related to any instance of supposed or actual theft or fraud shall be made by the Board Chairperson who shall do so after consultation with the Principal and if considered appropriate after taking expert advice.
20. Any allegation concerning the Principal is to be made to the Board Chairperson. The Chairperson will then act in accordance with the requirements of paragraph 17 of this Policy.
21. Any allegation concerning a member of the Board of Trustees is to be made to the Principal. The Principal will then advise the manager of the local office of the Ministry of Education and act in accordance with the requirements of paragraph 17 of this policy.

Procedures for dealing with an allegation of Fraud

In the event of an allegation of theft or fraud the Principal shall act in accordance with the following procedures:

Decide to either immediately report the matter to the New Zealand Police or proceed as outlined below.

- a) So far as it is possible and within 24 hours:
 - i) Record the details of the allegation, the person or persons allegedly involved, and the quantity and/or value of the theft or fraud.
 - ii) Request a written statement from the person who has informed the Principal, 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 the theft.
 - iii) 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.
 - iv) Inform the Board Chairperson of the information received and consult with them as appropriate.
- b) On the basis of advice received and after consultation with the Board Chairperson, the Principal 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.
- c) The Principal shall then carry out the following procedures:
 - i) Investigate the matter further in terms of procedures as set out in sub-paragraph (d);
 - ii) If a *prima facie* case is thought to exist to continue with their investigation;
 - iii) Invoke any disciplinary procedures contained in the contract of employment should the person be a staff member;
 - iv) Lay a complaint with the New Zealand Police;
 - v) If necessary, commission an independent expert investigation;
 - vi) 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;
 - vii) Seek legal advice; or
 - viii) Inform the Manager, National Operations, Ministry of Education local office and/or the school's auditors.
- d) Once all available evidence is obtained the Principal shall consult the Board Chairperson. The Board Chairperson may, if they consider it necessary, seek legal or other advice as to what further action should be taken.
- e) If a case is considered to exist the Principal or a person designated by them shall, unless another course of action is more appropriate:
 - i) 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.
 - ii) Meet with the person who is the subject of the allegation of theft or fraud and their representatives to explain the complaint against them.
 - iii) 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).
 - iv) Advise the person in writing of the processes to be involved from this point on.