

Waterlea School

Finance and Property Policy

RATIONALE:

The Board of Trustees needs to implement sound resourcing practices to promote learning and student and staff wellbeing.

PURPOSE:

Ensure that there are high quality reporting and resourcing procedures so that the Board of Trustees can allocate funds to reflect the school's priorities.

GUIDELINES (Adapted from the NAGs)

1. Allocate funds to reflect the school's priorities as stated in the Charter.
2. Monitor and control both school expenditure, use of staffing entitlement and accountability for leave, salaries and wages of our employees
3. Ensure that annual accounts are prepared and audited as required by the Public Finance Act 1989 and the Education Act 1989.
4. Comply with the negotiated conditions of any current asset management agreement.
5. Implement a maintenance programme to ensure that the school's buildings and facilities provide a safe and healthy learning environment for students.
6. In order to fulfill the policy, the board and management have developed, and will regularly review, the following more detailed guidelines associated with 'Finance and Property':
 - Finance Management
 - Fixed Assets
 - Property Management
6. The Finance, Fixed Asset and Property Procedures outline the expected course of action to fulfill this policy.

Finance Management Guidelines

1. Controls:

- a) Are developed and documented to enable the school to operate on a day to day basis.
- b) Are prepared by the principal and reviewed by the BOT annually for effectiveness and staff compliance.
- c) Comply with current legislative requirements.
- d) Ensure that financial systems provide accurate and reliable data.
- e) Identify staff delegations, functions and duties and these are documented.
- f) Identify Related Parties (people who hold positions of influence and power) so these parties:
 1. declare a conflict of interest when they have a pecuniary interest and stand to gain from the actions of the BOT.
 2. are excluded from any meeting until the matter related to them has been decided by BOT.
 3. have their conflict of interests recorded in the BOT meeting minutes so that both business interests and records of the discussion on possible conflicts of interest are recorded.
- g) Ensure appropriate insurance covers are maintained.

2. Long Term Financial Planning

- a) The Board of Trustees will undertake and regularly review long term financial management planning to ensure that the School can meet the costs of maintenance, resources and other commitments outside of the normal operating budget.

3. Annual Financial Budget

- a) The Board of Trustees will ensure the timely preparation and authorization of an effective and attainable budget.
- b) The budget will:
 1. meet current curriculum requirements
 2. comply with current legislation
 3. reflect the school's Strategic Plan and vision.

4. Financial Statements

- a) The principal will ensure the financial report is prepared, circulated and presented to the BOT at each BOT meeting.
- b) The Board of Trustees will monitor financial performance which includes a comparison of actual performance against the budget on a BOT meeting basis.
- c) The principal will ensure the annual financial statements are prepared and provided to the auditors within the MOE deadlines.
- d) Board of Trustees will ensure that the annual financial statements are accurate and are prepared within the statutory timeframe.
- e) The annual financial statements will meet all current legislative requirements.

5. Annual Staffing Entitlement.

- a) The principal will monitor the Staff Banking and report to the BOT on any exceptions.
- b) The BOT will ensure the school manages within their Staffing Entitlement

6. Payroll:

- a) Through the Schedule of Delegations the BOT has delegated to:
 1. the principal the accountability for payroll
 2. the Office Manager the responsibilities for the payroll / Novopay administrator

- b) The principal will monitor employee leave, salaries and wages and is accountable to the BOT ensuring payroll is appropriately spent through Operations Grant (BG) or through Teachers Salaries (TS)

Fixed Assets Guidelines:

1. Asset Register:

- a) The principal will ensure the asset register is maintained with new assts, disposals and donated items recorded.
- b) The BOT will ensure the school has a current asset register.

Property Management Guidelines:

1. Property Plan:

- a) The principal will:
 - 1. review the annual property plan and present it to the BOT.
 - 2. arrange the revision of the plan every three years.
- b) The BOT will:
 - 1. ensure the school has a current property plan
 - 2. review the property plan annually and calculate provision for cyclical maintenance in November
 - 3. revise the property plan every 3 years.

The Financial Procedures will be:

- 1 Internal Approval levels
- 2 Purchase Orders
- 3 Payments
- 4 Inward Cash
- 5 Payroll - Novopay
- 6 GST
- 7 Internal Reporting
- 8 Budgeting
- 9 Fundraising
- 10 Gift and Theft / Fraud Prevention Guidelines

The Fixed Assets Procedures will be:

- 1. Fixed Assets

The Property Procedures will be:

- 1. Property

Approval

- 1. 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.
- 2. As part of its approval the Board requires the Principal to circulate this policy to all staff, and for a copy to be included in the School Policy Folder, copies of which shall be available to all staff. The school policy folder 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.

Conclusion:

Careful planning, budgeting and spending, involving Trustees, Staff and Community, should provide the greatest benefit to the school pupils.

Ratified: (BOT Chair) Date.....

Waterlea School

Financial Procedure 1

Internal Approval Levels

Objective:

To ensure that commitments and decisions made by the School are properly authorized and approved by the Board of Trustees, and to minimize hindrance in the day to day operations.

1. Expenditure Approved Levels Required:

- a. The principal is delegated to set the budget. The BOT approve it
- b. Principal, Curriculum Leaders, Caretaker, Librarian, Office Assistant in charge of ICT and Office Manager – up to level stated in the current annual budget and up to \$2500 on any one payment
- c. Over \$2500 – Board of Trustees sub committee members (No one acting alone)
- d. Property MOE approved limit - \$25,000

2. Cheque Signatories and Direct Credit- on-line banking:

a. Account

- i. All cheques must be signed by any two of the Principal, and designated two Lead Team members.
- ii. No cheque signatory shall sign any cheque unless payment is supported by properly authorised documentation.
- iii. No cheque signatory shall sign any cheque payable to him or herself

3. ASB Fastnet online banking procedures:

- a. The Office Manager is the ASB Fastnet Administrator. The Administrator's access to Fastnet will be limited to producing reports relating to banking transactions, and loading payments to be paid by electronic banking, via Fastnet. Payments will need to be authorised by two persons to allow payments to be transmitted.
- b. All payments made via Fastnet must be supported by an invoice for the amount transmitted.
- c. A list of the payments to be transmitted must be signed off by the Principal and attached to the relevant invoices.
- d. Access to Fastnet is by password. The Office Administrator sets up the payments for creditors. Two from the following are required to enter their passwords to release payments to the creditors: Principal, Deputy Principal Senior, and a Lead Team member. Ability to change individual passwords is limited to each individual. If passwords need to be reset, this action is to be completed by the Principal and either the Deputy Principal or the lead team member.

Waterlea School

Financial Procedure 2

Purchase Orders

Objective:

To ensure that commitments entered into on behalf of the School are properly authorised and recorded.

Purchase Orders:

- 1 Pre-numbered purchase order books will be held by Office Staff and will be used wherever practicable for purchases.
- 2 A purchase order will be prepared in duplicate and will be authorised in accordance with Internal Approval Levels (see Financial Procedure 1).
- 3 The purchase order will contain full details of order date, suppliers name and address, description of goods including price (where applicable) and quantity, along with authorised signature.
- 4 The top copy of the purchase order is sent to the supplier (or number is quoted).
- 5 When the goods or services have been received, the office staff will enter the date of receipt (and any variation from the original order) on the duplicate copy of the purchase order.
- 6 The Office Manager will regularly check for unfilled orders, and for orders supplied and not yet invoiced.
- 7 The purchase order will be matched with the packing slip and invoice.
- 8 Invoice is filed ready for coding and payment.

Waterlea School

Financial Procedure 3

Payments

Objective:

To ensure that all payments are properly approved and recorded.

Payments:

- 1 Office Manager:
 - will stamp with the “Approval” stamp for coding and authorization by the principal.
 - Stamped invoices are reconciled against statements.
- 2 All relevant payment information sent off to Finance service provider by the 20th of each month.
- 3 For employee reimbursements an “Order” form must be completed, and then approved by a person other than the claimant, but within approved levels of authority. On payment the white copy is returned to the claimant.
- 4 For other casual payments not supported by an invoice, full details must be recorded and payment approved within approved levels of authority.
- 5 Cash advances can not be made.
- 6 Cheques must be signed in accordance with Financial Procedure 1.
7. Cheques must never be left unsigned.

Waterlea School

Financial Procedure 4

Inward Cash

Objective:

To ensure that all inwards cash is properly accounted for.

Procedures:

- 1 All incoming money associated with school operations must be banked into the School Account.
- 2 All incoming money is documented as soon as it is received.
- 3 All cash and cheques will be kept in a locked safe, accessible only to Office Staff. Cash or cheques must never be left unattended.
- 4 Money will be banked at least weekly via security express, and more frequently when the levels of cash are higher.
- 5 Office Staff will reconcile cash records with the amount of funds to be banked. This is done in the presence of others.
- 6 Incoming cash must never be used for payments.
- 7 Personal staff cheques must not be cashed from school funds
8. Unpaid sports, camp, trip or school donations are followed up.
9. Petty cash of up to \$100 will be kept in the safe and used for incidentals such as stamps, petrol. Dockets are required for purchases made with petty cash.
10. All relevant inward cash information forwarded to Finance Service Provider

Waterlea School

Financial Procedure 5

Payroll - Novopay

Objective:

To ensure that only bona fide employees are paid through the school payroll.

To ensure staff are paid correctly

To make the best use of staffing entitlement.

Procedures:

1. The Board delegate the following tasks: the principal (P) as the manager accountable for the payroll and the Office Manager (OM) as the Novopay administrator
 - a. The Principal
 - i. ensures that:
 1. employee leave, salaries and wages instructions are correctly actioned
 2. the payroll is appropriately spent through Operations Grant (BG) or through Teachers Salaries (TS)
 3. all salary and wage instruction comply with the intentions of the Board.
 4. expenditure is appropriately recorded in the schools accounting systems
 5. the appropriate interaction with the Novopay online system and the Novopay Service Centre in order that all the payroll actions are carried out according to these procedures
 - ii. cannot alter the Principal's salary details this is done by MOE
 - iii. alters the Office Manager pay details as required
 - iv. uses their own "user identifier" when entering transactions
 - v. does not share Novopay logins
 - vi. complies with the Novopay requirements for signatures on authorized Novopay forms
 - vii. verifies and signs off SUE within 2 days of the report being received at the school
 - b. The Office Manager :
 - i. Office Manager ensures that all pay claims are completed and actioned in order that staff entitled to allowances are reimbursed.
 - ii. cannot alter their own salary details, this is done by the Principal
 - iii. notifies Novopay to perform new appointments, annual leave cash-ups, enrolling staff in Kiwi Saver, updating permanent allowances etc.
 - iv. uses their own "user identifier" when entering transactions
 - v. does not share Novopay logins
 - vi. does not sign off the SUE as correct
 - vii. files all paper instructions and source documents in a secure Novopay and employment files.
 - viii. files all verified SUE
 - ix. trains another administrator to cover when they are not available
 - x. provide Novopay the instructions using the approved Novopay forms
 - xi. instructs Novopay using the approved forms for the Principal's pay details as required

- xii. sends to our schools accountants the costs for the employees on the payroll administered by the MOE for them to enter as a journal entry
 - xiii. ensures the SUE folder is secure
 - c. After a pay run occurs:
 - i. The Office Manager and the Deputy Principal check the relief teachers against usage
 - ii. The Principal and Office Manager check the Staff Usage and Expenditure Report (SUE) for:
 - 1. accuracy and that the salaries and wages instructions were correctly carried out.
 - 2. the best use of staffing entitlement.
 - b. The Office Manger or Principal notified Novopay if there are any corrections and will request that recovery action is taken.
 - c. The Principal shall sign the SUE Report to confirm that all have been employed at the school and sign to say they have sighted the SUE.
 - d. The P notifies Novopay if there are any corrections to the OM pay
 - e. The principal reports to the BOT each meeting, through the finance committee, any reports on the SUE
 - f. Once checked each SUE is collected in a folder ready for presentation with the Annual Accounts.
 - g. The Office Manager scans and sends the signed SUE report to our Finance Service Provider
 - h. Wage expenditure from SUE Reports will be entered into general ledger record each month by our Finance Service Provider.
 - i. The SUE folder is kept securely.
2. Where the school is entitled to reimbursement of wages, the Principal will ensure that appropriate claims are lodged and that recovery is made e.g. ACC, relieving teacher recovery with MOE.

Waterlea School

Financial Procedure 6

GST

Objective:

To ensure that GST legislation is fully complied with is a requirement of our Finance Service Provider.

Procedures:

- 1 GST returns will be prepared two monthly on a "Payment" basis, and will be aligned with the School's financial year.
- 2 GST will be deducted at the prevailing rate from all income subject to GST. In particular, GST will be deducted from all income other than donations, koha, interest, dividends, bequests, school fees, sale of donated goods/services and refundable deposits, unless that income complies with the IRD "agency" collection guidelines.
- 3 GST will only be claimed on payments which are supported by proper tax invoice, unless under \$50, except that GST will not be claimed on payments for which income has not been declared under the "agency" guidelines.
- 4 GST will be claimed on payments under \$50 which are not supported by a tax invoice only if the payee is a bona fide registered person, or is being reimbursed for a purchase from a bona fide registered person. GST will not be claimed on mileage allowances, field allowances etc.
- 5 Senior Staff will be made aware of IRD penalties for incorrectly claiming GST on payments, or omitting to declare income, or for placing "unreasonable interpretations" on IRD rules.

Waterlea School

Financial Procedure 7

Internal Reporting

Objective:

To ensure that Board, Management, and budget holders are kept fully informed of financial performance.

Procedures:

1. The Principal, Office Manager and BOT Treasurer will be provided with the following reports (from the Finance Service Provider) in time for the monthly BOT meeting:
 - a. Income and Expenditure Account (Statement of Financial Performance)
 - b. Balance Sheet (Statement of Financial Position)
 - c. Ledger – outlining the schedule of payments made during month
 - d. Graph – giving a graphic view of the current monthly progress
2. The Principal, Office Manager and BOT Treasurer meet before the BOT meeting to prepare the BOT's Financial Report.
3. The Board of Trustees will be provided with the Financial Report at least three days before the Board meeting.
4. The Principal and Office Manager will monitor overall financial performance.
5. The Office Manager will liaise with staff to ensure that budgets are not exceeded.
6. Any abnormal or significant areas of overspending will be reported to the Board.

Waterlea School

Financial Procedure 8

Budgeting

Objective:

To ensure that the school has an operating budget in place before the start of the school year.

Procedures:

- 1 Preparation of the draft budget will commence in October of the preceding year, and the final budget will be approved by the Board of Trustees by December.
- 2 Income budgets will comprise all expected Ministry of Education and external grants as well as interest and locally raised funds.
- 4 Where appropriate, budgets will be prepared in consultation with staff and appropriate sub committees.
- 5 The allocation of funds will reflect priorities under the school's strategic plan.
- 6 The budget will allow adequate provision for curriculum, administration, property, cyclical maintenance, and depreciation, and will include income and expenditure for teacher's salaries.
- 7 Individual budget holders will be notified of their allocation before the start of the school year.
- 8 No budget allocation will be exceeded without prior approval.
- 9 The budget will ensure that working capital does not fall below 10% of the annual operating grant.
10. A projected Statement of Financial Position will be prepared based on the operating budget
11. If after the July Roll Count returns are filed with the MOE there is a change in funding the budget will be adjusted to reflect those changes. These changes will be ratified at the next BOT meeting.
12. When property projects are being managed by the school's project manager monthly reconciliations will be carried out by the Office Manager and the project manager.

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Financial Procedure 9

Fundraising

Objective:

That finance over and above government grants is likely to be necessary, and should be budgeted in relation to the needs of the children, the wishes of the community and its ability to provide such money.

Procedures:

1. Fundraising must be directly related to the needs of the children in excess of the centrally funded allocation.
2. The Board of Trustees, reflecting the wishes of the school and the community, should plan / oversee the fundraising through the Principal.
3. Fundraising must be purposeful.
5. Fundraising must be accountable.

Guidelines:

1. The needs of the children should be assessed in terms of
 - * long and short term factors
 - * seek the wishes of the community, groups, and individuals.
2. The Board of Trustees should:-
 - a) consider the school's stated needs
 - b) seek the wishes of the community
3. The Board of Trustees, together with its associated committees, must ensure that the community is fully aware of the schools long and short term needs, the cost involved and the planning programme.
4. Funding Grant Application Process:
5. Funding Grant Application Process:
 - a. The Learning Area team decides on what it will be applied for and identifies a person responsible for the application. This person:
 - i. Writes a resolution to be submitted to the BOT. The resolution should include a brief written description of item/project/purpose with a statement regarding benefit/need if applicable, specific dates (e.g. for an event, for pool hire etc) and include quotes. The resolution should finish with the following: The Waterlea School BOT pass a resolution to apply to _____Trust for \$_____ for _____programme/item
 - ii. Liaises with designated BOT member responsible for funding applications to check that the appropriate source of funds is available and the timeframe for the application.
 - iii. Gets quotes for each item requested within an agreed timeframe (they may enlist the help of an expert on the staff to assist in this work). The quotes should be no older than 30 days. The number of quotes depends on the funding source requirements.
 - iv. Adds the quotes to the resolution.
 - v. Circulates the resolution with the Learning Area team for approval.
 - vi. Discusses the approved resolution with the BOT member responsible for funding applications.
 - vii. Makes sure the resolution, with a clear indication of preferred quote, goes out with the BOT meeting papers prior to the next BOT meeting.
 - viii. At the BOT meeting the Board discuss the merit/importance/agreement of request and consider passing the resolution.
 - ix. The BOT member responsible for funding applications then makes sure the application is sent.

- x. Once we hear back about successful grants those on the Learning Area Team making the application, check it to see if it has been successful for the total amount requested. If not then the Team discusses priorities for the spending of the funds received.
- xi. When applicable funds must be spent on what was applied for and are spent within the timeframe given.
- xii. A note of thanks is sent to the funding provider by the identified person responsible for making the application.

Waterlea School

Financial Procedure 10

Gift and Theft / Fraud Prevention

Introduction

1. The Board accepts that it has a responsibility to protect the physical and financial resources of the School. Through its chief executive, the Principal, the School has a responsibility to prevent and detect theft and fraudulent actions by persons who are employed or contracted by the School or who are service recipients of the School. The Board accepts that any investigation into any theft or fraudulent actions will be conducted in a manner that conforms to the principles of natural justice and is procedurally just and fair.
2. The Principal is required to establish systems and procedures to guard against the actions of theft and fraud:
 - a. The School's physical resources are kept secure and accounted for.
 - b. Gifts to school employees:
 - i Staff should consider the appropriateness of the gift offered:
 - (1) It may be appropriate for a staff member to accept a small gift from the parents of a student.
 - (a) If the staff member is concerned about them receiving such a gift they should consult the principal.
 - (b) A cash gift should always be discussed with the principal.
 - (2) Inappropriate gifts:
 - (a) To a staff member by the parents of a student under threat of suspension or stand-down.
 - (b) Where the gift giver stands to influence over or gain advantage from the receiver
 - (c) a principal or trustee accepting a gift from a construction firm when the school is about to tender a construction project would not be appropriate as it would give rise to a conflict of interest.
 - c. The School'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.
 - d. Staff members who are formally delegated responsibility for the custody of physical and financial resources by the Principal are proven competent to carry out such responsibilities and that such persons are held accountable for the proper execution of their responsibilities.
 - e. All staff members are aware of their responsibility to immediately inform the Principal should they suspect or become aware of any improper or fraudulent actions by staff, suppliers, contractors, students or other persons associated with the School.
3. In the event of an allegation of theft or fraud the Principal shall act in accordance with the following procedures:
 - a. Decide to either immediately report the matter to the New Zealand Police or proceed as outlined in this paragraph.
 - b. 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.
- c. 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.
- d. The Principal shall then carry out the following procedures:
- i Investigate the matter further;
 - 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 the school's auditors.
- e. 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.
- f. 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.
4. 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.
5. 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.
6. 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.

Allegations Concerning the Principal or a Trustee

1. Any allegation concerning the Principal should be made to the Board Chairperson. The Chairperson will then investigate in accordance with the requirements of paragraph 4 of this Policy.

2. Any allegation concerning a member of the Board of Trustees should be made to the Principal. The Principal 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 4 of this Policy.

Waterlea School

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Fixed Assets Procedure 1

Objectives:

The school must have an asset register in which fixed asset records are accurate, up to date and reviewed annually.

That the school maintains an adequate level of functioning fixed assets.

1. Procedures:

- a) Each year a budget for the purchase of fixed assets shall be prepared, having regard to:
 - The capital needs and wishes of the Board of Trustees and staff;
 - Cash flow and the availability of funds;
 - The non-cash amount provided for depreciation
- b) The asset register will be maintained by the Finance Service Provider
- c) By the end of February each year the asset register will be checked against physical assets. Any obsolete or missing assets, or assets otherwise disposed of will be removed from the asset register.
- d) Any assets purchased or donated during the year will be added to the asset register.
- e) No fixed assets will be included in operating account budgets.
- f) A ten year asset replacement programme will be developed and reviewed annually just prior to the annual audit. This will be reported to the BOT at the following meeting by the principal.

Acquisition of Assets

1. The Board agrees to:
 - a) review the asset management plan annually
 - b) budget for annual asset acquisitions.
2. The principal has the delegated authority to purchase assets within the guidelines set in the Delegation of Authority
3. 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.
4. The Boards shall follow good procurement processes for the acquisition of assets over \$10,000. This may include:
 - a) placing a notice on the Government Electronic Tendering System (GETS) for acquiring assets with a combined value over \$100,000;
 - b) obtaining several quotes to compare value for money;
 - c) managing any potential conflicts of interest appropriately.

Asset Records

1. A fixed asset register for all assets over \$500 which are expected to have a useful life over 12 months shall be recorded in the fixed asset register. Groups of similar but lower value items may be combined to form one asset
2. A review of assets against the fixed asset registers shall be undertaken by the end of February.

Information Technology Assets

1. All information technology assets, such as computers and laptops and associated software, must be compatible with the standard operating platform used within the school.

2. 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

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

Depreciation rates and expected useful lives of assets will be ratified by the Board of Trustees each year just prior to the annual audit. Depreciation is currently calculated on a straight line basis at the following rates:

Classroom furniture and equipment	10 – 15 years
Administration furniture and equipment	10 – 15 years
Leased photocopiers	5 years
Computer equipment	5 years
Musical Instruments	10 years
Sports equipment	5 years
Other equipment	10 years
Buildings	40 years

Library resources are depreciated on a diminishing value basis at 12.5% per annum

Maintenance of Assets

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

Disposal of Assets

1. The principal 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 principal shall report to the board about reasons for disposal, disposal process and any net disposal proceeds.
2. 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.

Waterlea School

Property Procedure 1

Objective:

The school has in place provision for the maintenance of its buildings and facilities so that the school is a safe and healthy place, buildings are in good repair, grounds are attractive, equipment is in good working order and furniture is in good order and supply. The school utilizes the funding it receives for capital work projects and complies with the MOE's 5 Year Agreement (5YA), 10 Year Property Plan (10YPP), repairs and maintenance guidelines and health and safety legislation.

1. Property Management:

- a) The school employs a caretaker to maintain the school buildings (minor repairs), facilities and grounds.
- b) All maintenance will be carried out in accordance with:
 - local body bylaws/acts
 - electrical regulations
 - NZ Safety Standards
- c) The school uses the services of a cleaning contractor to clean the buildings.
- d) The school hires the services of a property manager to both oversee major property projects on the 5YA and prepare the current 5YA and 10YPP for MOE approval.
- e) Annually the Principal reviews the school's project manager's contract for terms and conditions.
- f) The principal prepares a schedule of property actions for the annual plan that reflect the school's strategic goals.
- g) The caretaker completes the schools Building Warrant of Fitness checks, records the findings in the Compliance Manual and sends the Confirmation of Inspection cards to Argest each month.

2. 10 year Property Plan (10YPP)

- a) Every 10 years the school develops a 10 year property plan that reflects the strategic goals and upkeep of the school's buildings.
- b) The school is funded a sum to hire the services of a property consultant to assist in the preparation of the 10YPP.
- c) To prepare this plan:
 1. the Modern Learning Environment tool is used to assess priorities for the modernization of teaching and learning spaces.
 2. Building condition assessment is undertaken.
 3. The 5YA is considered.
 4. Cyclical maintenance is included

3. 5 Year Agreement (5YA):

- a) The school prioritises its property needs in relation to health and safety, essential infrastructure, Modern Learning Environment and discretionary projects in a 5YA.
- b) The school prepares its 5YA, with the assistance from its property manager, for submission to and approval of the MOE.

- c) The school enters a 5YA with the MOE
- d) The 5YA projects are managed by the principal in conjunction with the caretaker and school's property manager.
- e) Funds received should not be treated as income. They should be held on behalf of the MOE until spent and are accounted for by:
 - 1. funds should be credited to a liability account on receipt
 - 2. a separate ledger accounts is maintained for each capital works project
 - 3. financial statements include a disclosure note on the amounts received and spent during the year of each project even when there is no liability at year end.
 - 4. All unspent money is returned to the MOE when the project is completed.

4. Cyclical Maintenance

- a) The school develops a schedule for cyclical maintenance for internal and external painting (as a guide the average years for painting are: internal – 10 and external – 5).
- b) The amount of funds set aside for cyclical maintenance is itemized in the annual budget.
- c) The adoption of the cyclical maintenance plan is minuted at the same BOT meeting when the budget is approved and adopted.

5. Repairs and Maintenance:

- a) An allocated amount is set aside in the budget each year for minor repairs and maintenance.
- b) The caretaker is responsible for the management of this budget area.
- c) All minor repairs and maintenance are funded from this budget.