



## Clifton Creek Primary School Finance Policy

### Rationale:

It is a major responsibility under the Education & Training Reform Act 2006 that school councils use all moneys coming into their hands for proper purposes. Effective financial management provides the school with enhanced educational opportunity.

### Aims:

To ensure that all available funds are managed, monitored and accounted for in accordance with Department of Education and Early Childhood Development policy and procedures.

### finance sub-committee

- School Council will appoint a Finance sub-committee operating as part of its financial management and reporting plan. It consists of Principal, School Council President & Treasurer, the Business Manager and any other interested members of school council. The Finance Sub-Committee meets in the week prior to School Council meetings and will
  - report on issues and present recommendations relating to all financial matters at each council meeting.
  - present annual budgets for council approval, and monitor and report to council on all receipts, expenditure and commitments against approved budgets, unpaid accounts, investments, and balances held in school accounts. All revenue and expenditure budgets will be based on the CASES 21 Finance Chart of Accounts, the school will use the CASES 21 Receipts & Payments modules, and all reports to school council will be CASES 21 Finance generated.
  - monitor and report on Student Resource Package Budget reports including current surplus or deficit amounts and anticipated reconciliation balances.
  - be responsible for advising school council on all matters associated with centrally and locally raised funds including the levels of voluntary contributions and levies, sponsorships, DEECD grants, philanthropic contributions, trusts and local cooperatives.
  - oversee fundraising activities in accordance with the fundraising policy.
  - manage any investment accounts consistent with school council's Investment policy.
- Finance sub-committee members will declare any pecuniary or conflict of interest prior to partaking in any decision making process, and will be vigilant in providing robust and thorough internal control procedures.

## investments

### **PURPOSE:**

School councils have full responsibility for monitoring school funds and deciding if there is the opportunity to invest surplus funds to generate interest revenue for the school.

The onus is on the school council, as trustee of school funds, to ensure that money is adequately protected by placing it in secure investments. Current DEECD Investment Guidelines are adhered to at all times.

### **GUIDELINES:**

The Official account, which is to be used for all receipts, payments and investment transfers, is to be maintained at a minimum level to cover immediate commitments.

All other funds to remain in the Investment Accounts (the DE&T created High Yield account held with the Westpac Bank or the MECU Investment Account opened in September 2008) until they are required to be transferred for payment of accounts.

**An Investment Register** is to be maintained recording the following details:

Bank Account, Bank Title, Account Type, Interest rate %, Investment Date, Maturity Date, Account Balance, Deposits, Withdrawals.

**A Bank Account Transfer Register** is to be maintained recording transfer dates, amounts and reference numbers recording movement of funds between Investment and Official Accounts.

The Business Manager is authorised on behalf of the Principal to make necessary transfers between the Official and Investment accounts. Electronic transactions are to be performed strictly in accordance with DEECD policy. The Principal and Business Manager maintain control of security numbers & codes.

When considering alternative investment opportunities, school council will ensure that funds are only invested with institutions that are prudentially sound and secure, professionally managed, and have strong financial status in reserves, liquidity and profitability.

Changes to current investment policy must be approved and minuted by school council, and authorised by the principal and school council president.

## audit

The school's financial statements will be audited by an external auditor nominated by DEECD at least once every three years.

## fundraising

School Council may undertake activities during the year for the purposes of raising funds for CCPS, these are Non Profit Sub Entity activities for GST treatment. All transactions associated with the fundraising will be recorded on CASES21.

## authority to sign

- The School will operate one main bank account known as the Official Account. This account is required to have at least two signatories. One signatory is always the Principal and council must designate a school council member to be the second cheque signatory. (The business manager employed by the school *cannot* be nominated as a signatory to school accounts.)
- All electronic payment of accounts are to be authorised by the principal and one of the other designated School Council cheque signatories (School Council President and Treasurer). All PINs and security measures set by the bank are to be followed.
- Purchase orders are to be used before items are bought. Principal is required to authorise spending of money by signing the purchase orders.
- All changes to delegated bank signatories and purchase order authorities are to be included in school council minutes and filed appropriately as a permanent record.

## gift cards

Woolworths or Coles Myer Gift Cards are purchased as necessary for the following purposes

- ~Incidental requirements for special school activities.
- ~Food purchases for Fang, Tuckshop & Active After School Program
- ~Refreshments for staff morning tea
- ~End of year santa gifts to school students

Cards are kept in a secure location and all dockets recorded and reconciled.

## donations

There are occasions when financial contributions are made for charitable purposes (other than regular World Vision Sponsorship as part of the Friday Fang program). Payments / Fuel Vouchers/ Gift Vouchers may be made on behalf of school council for local Clifton Creek Community Care matters. In all such cases Principal has discretion to authorise payment.

## staff professional development

The principal co-ordinates all staff professional development. A financial contribution from school towards staff personal development may be appropriate if prior consultation with principal is arranged.

## student professional therapy

Students not part of the PSD program at times are referred to professionals for reports and services at the instigation of school staff and principal. The costs of such services are borne by the school. However for services arranged by **parent request**, contribution toward the initial visit may be negotiated by prior arrangement with the principal. Subsequent visits are the sole financial responsibility of the parent.

## internet banking

Internet banking has become a very common banking practice that provides several distinct advantages, whilst at the same time offering high levels of security & convenience.

To utilise the advantages of internet banking for our school whilst simultaneously enhancing banking security, decreasing transaction speed, improving convenience and lessening environmental impact.

School Council, after carefully considering the costs, benefits, fraud prevention, internal controls, and information privacy implications etc, has authorised the use of internet banking at our school for the following facilities. In doing so, School Council requires that all actions related to internet banking are consistent with DEECD's 'S385-2007 School Internet Banking Guidelines'.

School Council approves MECU's software for all of our official account internet banking activities.

Internet banking is used for checking account balances, transferring funds between accounts, direct deposits in payment of accounts and direct debits for families paying money to Clifton Creek PS. Highest levels of data security & data validation and compliance with departmental requirements for internal control are essential. Dedicated internet banking software must be used as it ensures creditor/payroll payments processed as Direct Deposits are directed to one creditor/payee only and provides the necessary detailed audit trails or transaction reports.

Documentation will be kept by the school confirming all transactions related to the accounts such as purchase orders, payment vouchers, payroll listings, screen prints of payee details, screen prints of transactions confirmation details, double payment authorisations and relevant CASES21 reports.

Utilisation of internet banking software on a **'pay anyone'** or **BPay** basis will **not** be used unless appropriate procedures and practices in the form of a local school policy are to be prepared and formally minuted at school council prior to using this facility. See document *Electronic Payment of Accounts – Procedures and Guidelines for schools*.

**Direct Debit** facility effectively allows an external source, e.g. financial institution or supplier, to remove or 'sweep' funds pertaining to a pre-arranged amount and date from the school's official bank account on a regular or ad hoc basis. Direct Debit is not used at CCPS for payment of school accounts.

### Payment of Creditors by Direct Deposit

Cases 21 allows for payment to creditors to be made as a Direct Deposit. Each direct deposit payment will be made as a separate batch and the following documents will be kept as a record of the transactions and all usual internal control measures will be followed ~ Original signed payment approval and creditor invoice

- ~ Screen Prints of bank transactions with authorised signatures
- ~ Relevant CASES21 Finance reports

**Electronic Family Payments** to school can be made as Internet Bank Transfers and processed as EFT transactions OR as Direct Debits whereby the family arranges a fixed amount to be deducted from their bank into the school official account on a regular basis. In this case families are required to complete the Authority & Request to Debit form as supplied by MECU.

*This policy was last ratified by School Council on 28th March 2011*

#### References:

*School Finance Manual for Victorian Government Schools March 2009*  
*\*Guidelines for Electronic Payment of Accounts \*Internet Banking \*School Investment Policy Guidelines*  
*From the School Financial Policy and Procedures Website ~ November 2009*