

Sensitive expenditure

The Board ensures that all expenditure is clearly linked to the business of the school and that no individual, or group of individuals (staff or students), gains unreasonable and/or personal benefit from those funds.

At times there are expenses which may be considered to be beneficial only to individuals or small groups of individuals. Examples include travel expenses (especially international travel), koha, gifts and other payments to individuals.

Any expenditure of this kind will be carefully scrutinised by the Board before approval, and may require appropriate and specific fundraising.

The Board will refer to its travel expenditure procedure (see below) when it considers this kind of expenditure.

When funds are being raised for a specific purpose, which may benefit individuals or groups of individuals, it must be made clear to anyone contributing to the funds (e.g. parents or other funding sources such as charities) what the fundraising is for. The funds raised will cover all costs (including travel and accommodation costs for teachers who may be involved).

Authorising sensitive expenditure

Before authorising expenditure that may benefit an individual or group, the Board requires the Principal to consider the following.

- Will the expenditure benefit student outcomes?
- Is it the best value for money?
- Is it in the budget?
- Could the Board justify this expenditure to a taxpayer, parent, or other interested party?
- How would the public react if this expenditure was reported by the media?
- Does there appear to be any personal gain from this expenditure?
- Does this expenditure occur frequently?

All expenditure which is incurred on behalf of individuals or groups of individuals will be fully accounted for.

A separate income statement for management reporting purposes will be provided to the Board, and will show all funds raised and expenditure incurred.

Travel expenditure

The Board ensures that travel expenditure incurred by the school is clearly linked to the business of the school.

The Principal is responsible for implementing the following guidelines.

- Any expenditure that relates to travel is related to the school's business.
- The school obtains an acceptable benefit from the travel, when considered against the cost.
- Expenses are reimbursed on an actual and reasonable basis.
- Staff who are required to travel on business do not suffer any negative financial effect.

Process for making travel arrangements

- No staff member approves their own travel.
- All travel booking arrangements are made through the school's normal purchase procedures.
- Travel bookings are not to be made using manual cheques.

Travel within New Zealand

The justification for travel within New Zealand must be documented and must relate to school business.

Travel within New Zealand is authorised on a one-up basis (e.g. the Principal authorises any travel by the Deputy Principal; the Board authorises any travel by the Principal).

All domestic air travel is in economy class.

International Travel

Any international travel must be authorised by the Board before it is commenced.

A proposal must be put to the Board, detailing:

- the purpose of the trip
- the expected benefit to the school and Board
- an estimate of the costs of the trip.

The process and the Board's decision must be recorded in the Board's minutes.

At the end of the trip, the traveller will prepare a report detailing the costs incurred, the activities that took place, and the benefits to the school.

If travel time is more than 20 hours without a stopover, a rest period of 24 hours is permitted before commencing work.

Accommodation

Staff are to book good but not superior accommodation.

With a receipt, staff who stay privately will be reimbursed for a koha or the cost of a gift given to the people they have stayed with. The staff member should receive authorisation for the value of the

intended koha/gift before they travel.

Vehicles

Rental cars	When using rental cars, choose good but not superior model vehicles.
Private vehicles	Use of private vehicles is approved on a one-up basis. Reimbursement is at the rate specified by the staff member's employment agreement. If there is no agreement, reimbursement is at the rate specified by the Inland Revenue Department.
Taxis	If using a taxi, staff pay for the taxi out of their own pocket, obtain a receipt, and seek reimbursement through petty cash or as part of an expense claim.

Reimbursement of Expenses

- The reimbursement for business-related travel expenses is on the basis of actual and reasonable costs.
- Actual and reasonable expenditure is defined as 'the actual cost incurred in the particular circumstance, provided that it is a reasonable minimum charge'.
- For travel within New Zealand, actual and reasonable expenses are those incurred above the normal day to day costs.
- All personal expenditure is to be met by the staff member. E.g. minibar purchases, inhouse movies, laundry, or private phone call charges. These are to be paid separately by the travelling staff member.
- All receipts must be retained and attached to the travel claim.
- The claim is authorised on a one-up basis.
- For expenditure incurred in New Zealand of value greater than \$50 (including GST) there should also be a GST invoice, so that the GST can be reclaimed by the school.
- Authorisation can be given for expenditure of less than \$50 if there is no receipt, for example if it is not practical to obtain a receipt or if the receipt is lost. The expenditure can be reimbursed provided there is no doubt about its nature or the reasons for it.

Discretionary Travel Benefits

Travel benefits, including Airpoints and loyalty scheme rewards (e.g. Flybuys, Global), accrued from official travel are only to be used for subsequent travel on behalf of the school. They should not be redeemed for personal use.

Staff must travel by the most direct route (unless scheduling dictates otherwise).

The school does not meet expenses incurred on behalf of a spouse or travelling companion. If a staff members travels with another person, a reconciliation of expenses should clearly show that the school in no way incurred additional expenditure.

Entertainment expenditure

The school may incur costs relating to entertainment through:

- social functions e.g. internal functions, representing the school socially, relationship building and providing hospitality to people in the course of school business
- meetings, conferences, seminars, etc.

This expenditure must be monitored, and linked to the business of the school. The amount spent must be shown to be reasonable and appropriate.

When selecting venues and catering, the school will take into account the nature of the event, total cost, and quality required.

Alcohol should only be purchased for social functions as appropriate, and must be served according to host responsibility guidelines.

Gifts

Expenditure on gifts must be clearly linked to the business of the school. The Board has **delegated** responsibility for implementing and monitoring of this process to the Principal.

Guidelines

- The value of gifts presented to staff on leaving the school is determined using a consistent formula, based on length of service.
- All gifts are purchased through the school's normal purchase procedures.
- Gift purchases are not to be made using manual cheques or credit cards.
- We maintain a register of all gift purchases. The register records what was purchased, the cost, and the recipient. The Board reviews this register periodically.
- The cost of a gift should be reasonable and appropriately reflect the benefit received.
- If the gift is to be given during travel, the staff member must receive authorisation for the value of the intended koha/gift before the travel.

Receiving Gifts

Gifts should not be accepted if there any concern that acceptance could be seen by others as an inducement or a reward that might place the staff member under an obligation.

If gifts are small and of little value (under \$50), the recipient may keep the gift.

If the gift is larger and more valuable, the recipient must advise the Board of the gift. The gift will be given to the school to use, unless the Board agrees to an exception to its usual policy.

If the gift arises from an employee's role as an employee of the Board, the gift remains the property of the Board. Receipt of the gift should be declared to the Principal.

Gifts must be recorded in the gifts register if they are obviously of more than \$50 in value, or attractive in nature. Gifts regarded as attractive in nature include jewellery, watches, and electronic items.

Budget

A Board representative consults with staff with budgeting responsibilities to draft a budget for each year.

The budgeting responsibilities of staff include monitoring expenditure and providing information for forward planning.

In drafting the budget, we consider:

- the identified priorities of the school
- the school's local curriculum
- professional development planning.

The draft budget is presented at the November Board meeting.

The budget is used to monitor expenditure in a summary of monthly comparatives the following year. It may not be changed without a Board of Trustees resolution.

Annual audit procedure

The school-appointed auditor meets each year with the Finance Officer, the Principal, and/or the Board representative, to assess and monitor:

- school circumstances
- extraordinary expenditure
- financial management
- reporting to the Board
- property spending
- surplus/deficit.

Every three years, a school audit is conducted by the Office of the Auditor General.

Contribution to the cost of school activities

The Board has guidelines covering its procedures for setting contributions that are reasonable and affordable for parents and whānau.

The suggested family contribution is set and reviewed annually by the Board of Trustees. The suggested amount will be published in school or Board newsletters.

The family contribution covers the actual costs of extracurricular activities. We request payment each term, as this is more practical for the school office than handling payments for each event separately. Parents/whānau receive an invoice for their contribution each term.

Families will be advised which events their school contribution covers. If there are more substantial fees involved, such as camps, parents will be notified in a timely manner.

Charges for consumable items (e.g. stationery, uniform) will be invoiced with details about the nature of the charge.