



## WESLEY COLLEGE BOARD OF TRUSTEES

# FINANCE POLICY [Nag 4(i) and (ii)]

### **RATIONALE**

A Board of Trustees must meet the requirements of **NAG 4(i) & (ii)**, to use its resources to achieve the goals set within the school's charter and Strategic Plan, to be accountable for the manner in which it does so and to safeguard the assets of the school for future generations of students.

### **PURPOSE**

To meet this responsibility through having in place systematic, sound and effective financial management practices.

### **GUIDELINES**

1. The Board retains primary responsibility for the overall financial management of the College in accordance with governance obligations. From time to time it will delegate some of its authority and responsibilities to committees and staff members, however in each of these cases it will retain an oversight role.
2. The Board retains the following financial management responsibilities:
  - Approval of the finance policy
  - Approval of all delegations
  - Approval of the annual budget
  - Approval of monthly expenditure
  - Approval of any expenditure in excess of budgeted levels.
3. The Board will establish a Property and Finance Subcommittee to monitor the College's financial resources, commitments and obligations. The subcommittee will oversee the preparation of budgets, review the collection of revenue and expenditure, and provide advice to the Board and to the Principal on financial matters.
4. The finance subcommittee's specific responsibilities in this oversight role will be:
  - (a) **Budgeting:**
    - consulting with College's budget holders for budget preparation
    - ensuring budgets are drafted
    - ensuring the final budget is presented to the Board by 30 November for approval.
  - (b) **Monitoring:**
    - monitoring budget control and cashflow
    - reporting expenditure outside the budget to the Board.

**(c) Reporting:**

- providing the Board with a monthly financial report summarising the College's income and expenditure, performance against budget and outlining the subcommittee's expectations for the remainder of the year.
- ensuring reports comply with legislation, authoritative accounting standards and generally accepted accounting principles
- ensuring draft annual financial statements are presented to the Board prior to 31 March
- ensuring the draft financial statements are provided to the auditor by 31 March
- presenting draft or final financial statements at the Annual Meeting
- ensuring the audited financial statements are provided to the Ministry by 31 May.

**(d) Advising:**

- giving advice to the Board as required about the College's financial management
- advising the Board on financial procedures set out by the Ministry
- advising the Principal on financial management.

**(e) Record Keeping:**

- maintaining a register setting out financial responsibilities and delegations
  - overseeing the maintenance of the asset register
  - maintaining appropriate accounting and purchasing procedures, and making recommendations to the Board on their implementation.
5. In conjunction with the Property and Finance Sub-Committee the Principal will manage this policy on the Board's behalf and ensure appropriate systems and procedures are in place to safeguard the College's resources and assets.
6. The college will have procedures to address this policy which will include, but not be limited to, the following:
- Cash Management
  - Credit Card
  - Departmental expenditure
  - Entertainment
  - Fundraising
  - Gifts
  - Sponsorship
  - Theft and Fraud Prevention
  - Travel
7. International Student Policies are noted:
- Accommodation Policy for International Students (NAG 5)
  - Refund Policy for International Student Tuition Fees (NAG 4)
  - School Fees Protection Policy for International Students (NAG 4)

The Board of Trustees approved this policy at the September 2008 meeting.  
This policy will be reviewed on / before the September meeting 2011.

Signed: *Norman Johnston*  
Chairperson

Date: 11 September 2008

